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10 September 1982

LATIN AMERICA REPORT

No. 2570

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COB CHARGES YPFB OFFICIALS WITH INCOMPETENCE

La Paz HOY in Spanish 25 Jul 82 p 7

[Text] The Bolivian Labor Federation (COB) blames the technicians and professionals of Bolivian Government Oil Deposits (YPFB) for the terrible state of that entity's administration.

This reaction was in response to the proposal of high-ranking YPFB officials that the price of fuel be raised. "What is needed is a rational administrative reorganization of the enterprise to allow it to develop as a technological organization, not a political tool," says the COB statement.

The document, released to the press, reads as follows:

The technicians and management professionals of Bolivian Government Oil Deposits (YPFB) have asked the government to raise the prices of fuels, and these same insensitive, self-satisfied bureaucrats have requested the confirmation of the general manager, who is not qualified to hold that position. They are doing so simply in "retribution" for the big fat raises in their already high salaries. This action was described by a watchdog agency as an "economic assault," and it recommended the exoneration of the manager in question.

Moreover, these "technicians and management professionals" are responsible for the worst mismanagement, which has brought YPFB to today's crisis. Some examples of this mismanagement: a) overbuilding the refineries of Palma Sola and Valle Hermoso and the Sicastica-Arica pipelines, which during the Banzer era cost more than \$200 million while production had plummeted to alarming levels; b) selling white gasoline at the price of crude, leading to the loss of about \$100 million; c) pawning drilling equipment to private firms, and contracting "drilling services" at speculative prices; d) dismantling and eliminating the Mud Department in order to justify the contracting of the same services to private firms; e) irrational exploitation and exportation of petroleum, to pay Gulf Oil in just 7 years obligations that had contractual terms of 20 years; f) breaking up the oil monopoly that protected YPFB during the Garcia Meza government, despite the new refineries, in order to favor multinational companies such as Veedol, Gulf, Shell, etc.; g) making a payment to the Central Bank on 11 February 1982 at an exchange rate of 25.00 Bolivian pesos to the dollar, when it should have

been calculated at 44.00 to the dollar, since the devaluation was effective on 5 February 1982, resulting in a loss of 644 million Bolivian pesos.

There can be no talk of a raise in fuel prices when this enterprise, despite its mismanagement, is highly profitable; according to its 1981 Report, profits totaled \$131.8 million.

If the economic measures taken last February and March have caused serious maladjustments in YPFB's operational plan and its economic-financial activities, the solution can in no way be sought in higher prices for fuels. Rather, it should begin with a rational reorganization of the enterprise's management, to allow it to develop as a technological organization and not the "political tool" used by successive governments. Steps should be taken to resolve the YPFB crisis, instead of forcing the people to bear the burden. The COB suggests a few measures that are perfectly viable:

- 1) The national tax should be reduced from 19 percent to 10 percent, considering the government's desire to cut public spending, because much of it is used for the importation of luxury items and "diplomatic costs," such as travel, etc.

- 2) Relations with contracting firms that sell their products (crude and gas) to YPFB at more than \$35, when the OPEC price is \$34 per barrel, should be reviewed. Moreover, /gas/ is purchased at the prices paid by Argentina, while the national petroleum enterprise /burns/ [words enclosed in slantlines printed in boldface] what it produces to favor contracting companies.

- 3) The use of official cars should be cut back, because YPFB supplies huge quantities of fuel.

- 4) The tax system applied to YPFB should be reviewed; it is the same as what is used in the Arab countries and Venezuela, where production exceeds 3 million barrels per day, compared to Bolivia's 24,000.

Finally, the COB believes it is important for the workers to be consulted about the major steps to be taken, because they are familiar with "their" enterprise's situation, and they are the only ones who are truly concerned about it.

8926

CSO: 3010/2155

YPFB DECLARES NO GAS SHORTAGES

La Paz HOY in Spanish 6 Aug 82 p 3

[Text] The country's fuel supplies are guaranteed, according to statements by officials of Bolivian Government Oil Deposits (YPFB). Not only are current fuel inventories enough to meet habitual consumption requirements, but there is also enough of a reserve to meet any excess demand.

With regard to the long lines of vehicles at gas stations, it was explained that the strike by truckdrivers also affected the tanker trucks that bring fuel from the storage centers to sales outlets.

The owners of the tankers are members of the striking labor organizations. Furthermore, more private vehicles are going to neighboring towns and cities because of the holidays, which increases demand.

In order to resolve this situation, YPFB has made use of the Army's tankers, which have been on the job since yesterday.

Liquefied Gas

As for liquefied gas, YPFB sources reported that last Wednesday the 4th, 137 tons of LPG were taken from the deposits by distributors. This is the equivalent of 13,700 cannisters for daily consumption.

This figure indicates an excess demand of approximately 30 percent in La Paz, with consumption in this district reaching an average of 10,000 cannisters per day.

The principal problem lies in the distributing companies, whose vehicles are not working at 100 percent capacity because of the truckers' strike and the use of the vehicles for personnel transportation.

To solve this problem, officials are studying the possibility of opening some permanent sales outlets so that consumers in certain zones can purchase the product directly.

Lines Continue

Despite these announcements by YPFB, people are still lining up waiting for the gas distribution trucks to arrive, particularly in the outlying areas of the city.

JAPANESE FIRM SUBMITS HYDROELECTRIC PROJECT PROPOSAL

La Paz EL DIARIO in Spanish 5 Aug 82 p 5

[Text] The National Electricity Enterprise received yesterday the final report of the feasibility study for the Pilaya hydroelectric project from the Japan International Corporation Agency (JICA).

This study stated that the total cost would be more than \$1 million, to be covered entirely by a donation from the Japanese Government.

The Pilaya project, located on the river bearing the same name which separates the departments of Chuquisaca and Tarija, will have an installed capacity of 87,000 kilowatts. It will be able to generate an average of 536 million kWh per year, equal to the total power generated by the eight plants in the Zongo Valley in La Paz.

The project entails a daily flood control dam 73 meters high and 89 meters wide at the crest, and a tunnel 10.4 kilometers long and 3.5 meters in diameter, to be built with a rotating full section machine. Its capacity will be 26 cubic meters per second, and it will feed three vertical drive Pelton turbines. Each of these turbines has a capacity of 32,400 kVA, 375 revolutions per minute, and uses an effective head 398 meters in height.

The 115-kilowatt transmission lines are to be 410 kilometers long, with a Pilaya-Tarija line and a double Pilaya-Camargo-Potosi line.

The project will take 5 years to complete, and studies and the construction of access roads will take another 2 years. The cost of the project at December 1981 prices was estimated at \$1,960 per installed kilowatt. The Pilaya hydroelectric plant, according to the study, will begin operations in 1991.

8926

CSO: 3010/2156

ENDE ANNOUNCES NEW PROJECTS, INVESTMENTS

La Paz HOY in Spanish 12 Aug 82 p 3

[Text] During the first half of this year, the National Electrification Enterprise (ENDE) generated a total of 383 million pesos by producing 397 million kilowatt hours, according to an ENDE report.

This means an 11 percent increase over the same period of last year, in this category.

The consequent investments for new projects and studies by the state electrification agency total 476 million pesos. Of that total, 312 million came from international sources, and the remaining 164 million came from national sources.

Among the projects being executed is the expansion of the CORANI reservoir from 76.6 million cubic meters to 141 million cubic meters, including the elevation of the dam by 5 meters and the diversion of the Malaga River.

A tunnel is being drilled, to be completed in 1984, at a cost of \$60 million.

Another project is the installation of a gas turbine at Potosi, to generate 16,000 kilowatts. It will benefit the Karachipampa Complex, and will be connected to the national system.

The Rolls Royce firm of England is in charge of the assembly of this project, at a cost of \$7 million. It will begin operations in a few weeks.

The interconnection of the East-Central part of the republic by means of a 360-kilometer line with a 220,000-volt capacity between Cochabamba and Santa Cruz, being carried out by the ICE National Consortium, should be finished by mid-1985 at a cost of \$36 million.

A fifth turbine in Santa Cruz, with a capacity of 22,000 kilowatts, will increase the Huaracacho plant's capacity to 112 million kilowatts. It is being built by the Marubeni Corporation of Japan, at a price of \$6.5 million.

There will also be a fourth unit at Santa Isabel, Cochabamba, with 18,000 kilowatts, to reach a total of 126 million kilowatts. Work on that project will be completed by mid-1983, with an investment of \$3.5 million.

BRIEFS

BORDER ZONES ELECTRIFICATION--The program for supplying electricity to border areas under the direction of the National Institute of Rural Electrification (INER), begun last July, will cost 1.3 million pesos, according to reports by the Ministry of Energy and Hydrocarbons. The program includes the installation of electric generator groups in six towns of the departments of La Paz and Oruro, according to the report. The facilities all have a 30-kilowatt capacity, and are located in Belen, Andamarca, Cruz de Huayllas and Yunguyo, in La Paz, and Carangas and Escara in Oruro. Financing for the facilities was obtained through contributions from the General Treasury of the Nation, Regional Development Corporations and the resources of the National Institute of Rural Electrification. The facilities will provide power for small industries, in addition to domestic use by the inhabitants of these remote regions. The National Institute of Rural Electrification plans similar projects for other border areas of the territory over the coming months. [Text] [La Paz HOY in Spanish 12 Aug 82 p 6] 8926

CSO: 3010/2156

ITAIPU COST: \$14 BILLION EXCLUDING TRANSMISSION LINE

Rio de Janeiro JORNAL DO BRASIL in Portuguese 8 Aug 82 p 34

[Article by Eneas Macedo]

[Text] Sao Paulo--The binational Itaipu Company's total outlay to build its powerplant--excluding the cost of the transmission line--will be on the order of \$14.095 billion. Of that amount, \$8.937 billion represents the investment, which is the equivalent of a little over 57 percent, and the rest represents financial costs (interest).

Through December 1981, \$4.84 billion, or 54 percent of the amount allocated to the structures alone, had been spent on construction. Investments this year will reach their peak at \$1.48 billion--that is, 17 percent in this period alone--and a further \$2.617 billion (the final 29 percent) is scheduled through 1988, when the last turbine will be installed.

New Framework

Itaipu was planned before the crisis in petroleum prices and at a time when the financial sector was still years away from the crisis it is experiencing today. As a result, Itaipu's costs, which stood at around \$10 billion a little under 4 years ago, have increased sharply due to the high interest rates that have prevailed since 1980. This is true even though 52.3 percent of the funds are being provided by the ELETROBRAS [Brazilian Electric Power Companies, Inc] system. Of the grand total, 72.6 percent will be obtained from Brazilian financial agents in the government and private sectors.

According to the financing plan prepared by the binational company within that financial framework, FINAME [Fund for the Financing of Machinery and Equipment] and its agents will provide 14.3 percent; the BNDES will provide 5.6 percent; the binational company's capital and miscellaneous earnings will account for 1.2 percent; and "others," including Paraguayan investments, will provide 0.4 percent. Foreign money will provide 26.2 percent, with 5.4 percent of that total in the form of buyer's credits.

Although General Costa Cavalcanti, general manager of the binational company, and Cesar Cals, minister of mines and energy, have admitted that the effective startup of generation will not occur until early in the second half of 1983,

everything will be built and installed by March of that year. As of now, 98 percent of the concrete work--representing the pouring of 8,524,000 cubic meters of concrete--has been done. This portion of the work will be completed by the end of September.

But some phases of the work are already complete: tests to verify the main dam's behavior under stress have been successfully completed, the 12 sluice gates in the diversion structure and the 14 in the spillway have been installed, and the three generating sets that will go into operation by 1983 are partly in the manufacturing stage and partly installed in the dam's permanent shafts.

11798

CSO: 3001/220

OIL RESERVES TOTAL 137 MILLION BARRELS; JULY OUTPUT UP

Reserves of 137 Million Barrels

Brasilia CORREIO BRAZILIENSE in Portuguese 5 Aug 82 p 10

[Text] National petroleum reserves during the first 6 months of this year were up to 137 million barrels following the discovery of 1,063,000 barrels. Production also rose to 306,000 barrels per day. Those figures were announced yesterday by Shigeaki Ueki, chairman of PETROBRAS [Brazilian Petroleum Corporation], to the Committee on Consumer Defense at the Chamber of Deputies. Ueki defended the exporting of gasoline at a price below that set for the Brazilian consumer by saying that even at the lower price, exports are "advantageous" to the country's economy.

The chairman of PETROBRAS confirmed that a liter of gasoline costs 42.90 cruzeiros to produce, the price at which it is exported, but reminded his listeners that the price of a barrel of petroleum was between \$30 and \$32.50 while gasoline was being exported at \$37 per barrel despite an unfavorable market, which last year was buying gasoline at \$40 per barrel. Ueki said that PETROBRAS has received \$1.3 billion from its exports of petroleum products this year.

Returning to the subject of national production, the chairman of PETROBRAS said that the total of daily discoveries is enough to satisfy the country's consumption requirements, which are about 1 million barrels per day.

He recalled that an area rejected by the multinational firms as an exploration site--in Solinopolis at the mouth of the Amazon--proved to be productive with the drilling of a well by PETROBRAS, something he described as demonstrating the company's competence in the area of prospecting.

Ueki said that petroleum products, including gasoline, leave the refineries of the firms at an average cost of 42.90 cruzeiros, of which 40.20 cruzeiros represent the cost of the raw material (petroleum). The remaining 2.70 cruzeiros cover the remaining costs and compensation for PETROBRAS.

The chairman of PETROBRAS said that in the case of gasoline, the final price to the consumer of 132 cruzeiros per liter is obtained by adding the following to the production cost of 42.90 cruzeiros: 26.78 cruzeiros to cover the cost of other products (so that the latter can be sold to the consumer at subsidized

prices), 28.40 cruzeiros to equalize prices throughout the country (domestic freight rates), 20.83 cruzeiros for various beneficiaries such as the programs to develop alternative energy sources, the PIS-PASEP [Social Integration Program-Civil Servants Welfare Fund], FINSOCIAL, the welfare contribution, and the single tax, 4.30 cruzeiros for the distributors, and 8.70 cruzeiros for the retail stations.

Shigeaki Ueki defended exports of PETROBRAS products by saying that the firm obtains a surplus of foreign exchange through that activity. He said that the price of imported petroleum stands at around \$31.50 per barrel--the equivalent of \$250 per ton--while the average export price for petroleum products is above that figure.

Although he did not state the actual export prices being obtained by PETROBRAS, Shigeaki Ueki did say that the latest prices for those products--the prices "vary from day to day"--are as follows: gasoline: \$340 per ton; naphtha: 300 cruzeiros [as published] per ton; diesel oil: \$290 per ton; aviation kerosene: \$310 per ton; low-sulfur fuel oil: \$180 per ton; and fuel oils with a high and low pour point: \$160 per ton.

He reported that exports of petroleum products total about 100,000 barrels per day, about 70 percent of which goes to African countries such as Congo, Nigeria, Liberia, Angola, Guinea, Cameroon, Ivory Coast, and Zimbabwe.

Criticism

In the plenary session of the Chamber of Deputies, Deputy Jorge Uequed (PMDB [Brazilian Democratic Movement Party], Rio Grande do Sul) noted that the chairman of PETROBRAS, Shigeaki Ueki, had confirmed to the Committee on Consumer Defense that gasoline was being sold to some countries at the price of 42.90 cruzeiros. He suggested that the Federal Government treat the social welfare and charity hospitals the same way it does the friendly regimes in Paraguay, Uruguay, and Argentina.

Uequed said: "The PETROBRAS chairman's answer was that this falls within the jurisdiction of the Federal Government. So we are here to plead for social care for Brazilians. Let the government start selling gasoline at the same price at which it exports it to the friendly dictatorships in Paraguay, Argentina, and Uruguay--let it charge that same price to the social welfare organizations and the charity hospitals. The government cannot be concerning itself solely with monetarist policy if it is selling cheap gasoline abroad to earn dollars. What about the Brazilians?"

Petroleum Production Up in July

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 12 Aug 82 p 34

[Text] Rio de Janeiro--National petroleum production totaled 8,342,834 barrels last month, compared to 6,797,047 barrels in July 1981. That is an increase of 22.7 percent.

In July of this year, 4,478,387 barrels were extracted from the continental shelf for an increase of 43.6 percent over the same month last year, when 3,144,445 barrels were extracted.

At 3,864,447 barrels for July 1982, the country's onshore area showed an increase of 4.9 percent over July 1981.

During the first 7 months of this year, 54,964,876 barrels of petroleum were produced in Brazil, reflecting an increase of 20.7 percent over the same period in 1981.

The offshore fields produced 28,774,708 barrels from January through July of this year, for an increase of 41.8 percent over the same period last year, while onshore fields produced 26,190,168 barrels for an increase of 3.8 percent.

Brazil's average daily petroleum production last month was on the order of 269,000 barrels, an increase of 6.7 percent over June (252,000 barrels).

Average production for the first 9 days of August was 272,000 barrels.

National Petroleum Production (in barrels)

	<u>July 81</u>	<u>July 82</u>	<u>Jan-Jul 81</u>	<u>Jan-Jul 82</u>
Terra (1)	3,682,602	3,864,447	25,222,060	26,190,168
CE (2)	717	16,920	3,032	100,5244
RN (3)	3,277	31,084	11,567	146,162
AL (4)	77,327	125,947	601,752	824,090
SE (5)	1,039,597	1,099,262	6,671,546	7,530,797
BA (6)	2,108,164	2,116,505	15,048,371	14,662,706
ES (7)	453,520	474,729	2,885,792	2,925,889
Mar (8)	3,114,445	4,478,387	20,326,099	28,774,708
CE (2)	247,378	289,582	1,438,320	1,618,805
RN (3)	410,850	474,314	2,657,252	2,375,484
SE (5)	449,486	395,440	3,210,125	2,656,277
BA (6)	256,611	268,807	1,875,373	1,910,917
ES (7)	46,482	66,074	412,360	523,500
RJ (9)	1,703,278	2,984,170	10,732,669	18,689,725
Total: 6,797,047	8,342,834	45,548,159	54,964,876	

Source: PETROBRAS

Key:

- | | |
|------------------------|-------------------|
| 1. Onshore | 6. Bahia |
| 2. Ceara | 7. Espirito Santo |
| 3. Rio Grande do Norte | 8. Offshore |
| 4. Alagoas | 9. Rio de Janeiro |
| 5. Sergipe | |

Discoveries in Ceara and Rio Grande do Norte

Rio de Janeiro O GLOBO in Portuguese 4 Aug 82 p 20

[Text] Yesterday PETROBRAS announced another discovery of petroleum off the coast of Rio Grande do Norte. The site is only 4 kilometers offshore and lies under 5 meters of water. The exploratory well, known as Rio Grande do Norte Undersea-36, logged a preliminary flow of 1,415 barrels per day.

In the Atum field off the Ceara coast, there was another positive result: Delimitation Well 3-Ceara Undersea-83 flowed at 2,000 barrels per day, a volume well above the average recorded in other drillings (slightly over 1,000 barrels per day).

Tests Continuing

The exploratory well in Rio Grande do Norte may give rise to a new oilfield. This will depend on additional tests and new drillings in adjacent areas. The discovery was made 15 kilometers from the Ubarana field and 4 kilometers from Tubarao Point. The most significant characteristics are its proximity to the mainland and the 5-meter depth, factors that will facilitate commercial exploitation. Rio Grande do Norte produces about 18,000 barrels daily from its Ubarana and Agulha fields.

In Ceara, the thing that attracted the attention of technicians was the well's flow, which exceeded all expectations. The petroleum is located in two intervals at a depth of between 2,200 and 2,300 meters. PETROBRAS has already discovered four fields along Ceara's coast: Xareu and Curima, which between them produce about 8,000 barrels daily, and Espada and Atum, both in the development stage.

11798

CSO: 3001/220

RURAL ELECTRIFICATION FOR CPA'S DISCUSSED

Strategy Defined

Havana ANAP in Spanish May 82 pp 30-31

[Interview with Lidio Ramon Perez, director of the Union of Enterprises for the Transmission and Distribution of Electricity, by Chongo Leyva; date and place not given]

[Text] Through this brief interview with Comrade Lidio Ramon Perez, director of the Union of Enterprises for the Transmission and Distribution of Electricity, we will attempt to provide our readers with information about the important subject of electrification at the CPA's [Agricultural and Livestock Cooperative].

[Question] Is there a specific policy with regard to the plan for the electrification of the cooperatives?

[Answer] Yes, you see, in 1981 a national census was taken of all the CPA's, with and without electrical service, and on the basis of this study the national administration has assigned 80 km of 33-kW lines destined for the electrification of the CPA's this year. This will enable us to have a definite plan, not as in prior years when, although the CPA's were electrified, the work was not done on the basis of a study and planning.

For example, in 1980 28 CPA's were electrified and in 1981 40 received this service. The assignment of lines already distributed in coordination with the ANAP [National Association of Small Farmers] for each province has enabled us to set specific objectives for electrification this year, which we figure will come to approximately 70 CPA's throughout the country and which will benefit over 2,000 rural families.

Specific examples of these are the Valle de Caujeri, Antonio Maceo, Sabino Pupo, Batalla del Polvorin, etc. CPA's.

[Question] What are the chief difficulties that make it impossible to carry out a large-scale project?

[Answer] First of all, limited resources; this prevents us from carrying out a more extensive plan since there are other social and economic objectives that also have priority status.

Electrification needs are very far beyond the real potential for meeting them since many of the components for the construction of the lines are imported from capitalist areas.

[Question] From the economic standpoint, how much will these investments amount to?

[Answer] Well, it costs approximately 4,000 pesos to string a kilometer of line and 50 percent of that amount is in freely convertible currency, that is, from the capitalist area. This year's investment should come to approximately 320,000 pesos. That is — as you can understand — a kilometer of electrified line is expensive. It is not merely a matter of digging a hole and dropping the pole into it with the cables; no, it requires studies and naturally the materials suitable for this sort of work, half of which, as we have already noted, the government has to acquire in the dollar area.

[Question] How do you evaluate the contribution cooperative members are making in their collaboration with the installations?

[Answer] The construction of CPA lines has turned into a mass effort in terms of which farmers are always ready to cooperate with us in any way possible; for example, in digging postholes, preparing the poles and other jobs, and we also have examples of farmers who have in actual practice become linemen. Then we must, moreover, stress the service they render the electrical workers when the latter are doing their jobs.

This is necessary because it enables us to do our jobs at the cooperatives without interfering with other work and in much less time. We have encountered this fully cooperative attitude on every one of the planned projects we have completed.

On the other hand, we can tell you that we have committed ourselves to the national board of directors of the ANAP to meet the quota that has been outlined and we consider this to be the electrical workers' contribution to the development of the cooperative movement.

[Question] The conservation of electricity is a vital aspect of our economy. Would you care to expand on this subject?

[Answer] Of course. Look here, the country is making a serious effort in this CPA electrification project and we take advantage of this opportunity to urge new consumers to exercise a policy of conservation that is in keeping with the situation and, furthermore, not to permit damaging "illegal electric drop lines," the use of which is an antisocial act and therefore punishable by law, aside from the danger it represents for a household from the technical point of view.

We are convinced that CPA users will be the constant defenders of these principles.

Arrival at Cooperative

Havana ANAP in Spanish May 82 p 31

[Article by Rubby Rodriguez R.]

[Text] Electric light is not very far from the fields. After combining their fields, creating a unique social heritage and one big family with their houses alongside one another, farmers are now getting electrification and nine CPA's in Holguin Province are already receiving this necessary service. In these collectives there are electric lights, irons, washing machines, radios and television sets. For them there is little difference from living in the cities.

And not very far away, in Ojo de Agua in the San Andres district of the municipality of Hoguin, a group of men, members of a brigade of linemen, have brought electricity to the Sabino Pupo CPA. During 4 straight days of work, they installed 25 poles and strung 600 meters of electric line for 30 CPA homes.

In just a few words, Angel Ruiz Brito, representing the linemen's brigade, summed up the job they are at present engaged in: "Lighting up the night for the farmer has been our chief objective here and we have accomplished it. We also recently brought electricity to the Marcos Camapana CPA in the district of Holguin. There we began at 1400 hours and by 2200 hours all the neighbors had already lit their light bulbs."

Twice national champion, Angel said that he has no timetable for work: "I am ready to do my best in bringing electricity to the cooperatives and eliminating the big discrepancy that exists between them and the cities."

The Sabino Pupo CPA was formed 16 months ago, has 7.5 caballerias [1 caballeria = 33.2 acres] of land and 20 members, among them five women, and is fundamentally devoted to the production of stew and garden vegetables and grains.

Regarding the benefits they now enjoy with electrification, Aracelys Ramirez Garcia, the head of the women's brigade, said: "We have finally come out of the darkness of the night and so we can work with more conveniences when we return from the fields, because the truth is that after 1800 hours it used to be very annoying to have to sit around the house. Now you can even wash and iron!

"Our brigade," she explained, "is composed of five comrades and we have put in 1,420 workdays during the year. Outstanding among the members of the collective is Euda Flor Garcia with 323 consecutive workdays; she deserves our recognition and admiration."

Luis Collado Santiesteban is the president of the Sabino Pupo CPA. He spoke very enthusiastically of the results obtained and the prospects for 1982:

"With the electrification of our homes, we have taken a great step forward. Everything has changed and I know that with this we stand to gain in every respect.

"In 1981 we produced 2,100 quintals of stew vegetables and 3,500 of garden vegetables in addition to 35 quintals of grain, 25 of fruit and 220 pounds of meat which we sold to the state over and above our quotas. This is how we met our quota under the technical-economic plan for that year.

"For next year," he noted, "we plan to store 2,000 quintals of stew vegetables, 5,700 of garden vegetables and 35 of fruit. We are a small cooperative, but we get the most out of the land and work every corner of it, even though it may be in the mountains."

Enthusiasm reigns among all members of the Sabino Pupo CPA. Whether man or woman, every cooperative member reflects interest in and optimism over the future, confident that they will soon be bigger, stronger and more effective in obtaining bigger crops.

All of the Sabino Pupo's acreage has been planted. The green fields are more resplendent than ever before because the collective labor of these Holguin farmers keep them fed, clean and rich in organic materials.

11,466
CSO: 3010/2051

SALVADORAN, HONDURAN AGRICULTURE MINISTERS TALK TO PRESS

Guatemala DIARIO DE CENTRO AMERICA in Spanish 19 Jul 82 p 2

[Text] The following participated in an important press conference in the banquet hall of the national palace: Salvadoran Minister of Agriculture Miguel Muyshoudt Yudice and Honduran Minister of Agriculture Miguel Angel Reyes; as well as agronomist Luis Humberto Figueroa Munoz, vice minister of agriculture and nutrition, in charge of that department; and Dr Mario Antonio Motta Gonzalez, vice minister of cattle raising and nutrition.

During that conference various subjects regarding better development and cooperation with respect to regional agricultural and cattleraising programs were discussed, including financial assistance, the exploitation of natural resources, trade, and others, for the purpose of improving the present status of the agriculture ministries in the area and for better understanding and increased assistance to the area.

Ing Figueroa Munoz said that "the reason for the presence of the Central American ministers in Guatemala was to make good use of the opportunity to discuss mutual problems and how to solve them, and to strengthen the agriculture and cattleraising sector of the region. With respect to the isthmus, we are in the same category. We devote ourselves to the cultivation of the same crops; we have the same problem. That is why we did not want to pass up this opportunity to sit down at a table to do some work for the good of our various countries, which after all are a geographic unit and also have the same agricultural and cattle identity."

In his talk, Salvadoran Muyshoudt Yudice said: "We believe that our problems, that our anxieties, can and should be resolved jointly. These joint solutions are aimed at overcoming hunger and underdevelopment and will once and for all make it possible for our countries to launch themselves on an economic and social take off."

The Salvadoran minister specified that the ministers of these three countries have agreed to start considering ways of forming a tripartite committee to jointly develop the rural community of this Central American area.

The Salvadoran minister indicated that other problems that afflict the area are the characteristic pests and diseases connected with agriculture and

cattle raising. In this connection, a technical meeting will be held with PROMECAFE in San Salvador next October to discuss with experts and authorities a program to counter said pests and diseases, as well as to strengthen the regional coffee industry, which is the basis of our economies.

Honduran Minister Miguel Angel Bonilla Reyes said: "We wish to make good use of this meeting in Guatemala to continue what was approved in Costa Rica and to consider a series of resolutions. One of these resolutions that we decided to implement is the creation and integration of a Central American confederation to integrate the private associations of the agriculture and cattle sector. This confederation is to function as an advisory entity to the ministries of agriculture and cattle of the isthmus. We believe that everything will be in operation at the end of the year."

The Honduran minister also said that a seminar will be held in Tegucigalpa to discuss this confederation on the occasion of the next Central American Cattle Exposition (EXPICA-83).

There will be joint programs to combat coffee rust, coffee seed borer, and to combat the Mediterranean fly. In addition, a Central American program is being launched to combat borer worms.

8255

CSO: 3010/2111

EDUCATION MINISTER ON FUTURE OF SYSTEM, LEFTIST INFILTRATION

Buenos Aires SOMOS in Spanish 23 Jul 82 pp 36-37

[Interview with Cayetano Licciardo, minister of education; date and place not given]

[Text] [Question] You said that the Federal Education Law has still not been drawn up. Weren't 6 years of the Process enough?

[Answer] During this time, an excellent job of compiling background ranging from similar legislation to the most modern methods of teaching was done. This led to a very good outline for the bill which is being worked on now.

[Question] Isn't that a long time for only a study?

[Answer] The day that bill is published, you will see why the compilation took a long time.

[Question] How much time will it take to write the law and have it go into effect?

[Answer] I always answer the same way: as long as we are not sure that the bill is good, we are not going to write the law. I do not worry about the time but the quality. With a transition of 18 months, I am not worried about having it finished but being the most prepared possible.

[Question] Are you afraid that the next civilian government will throw it all in the trash and begin its own bill as has happened in Argentina in recent decades?

[Answer] That would be ridiculous and I hope that it does not happen. A team of technicians that knows the educational situation in depth, that improves its level year after year, has been working on this. I believe that I will definitely leave fewer problems for my successor than I found when I came to the ministry. I would like to leave the bill completed but I will not have time.

[Question] Is the present economic crisis hurting the Argentine educational system too?

[Answer] I don't believe so. There is no direct cause and effect relationship. I believe that the problem lies more in the reformulation of some proposals to improve education. The country is returning to education for values and not for educational technology. That is a personal opinion based on a reality that I cannot demonstrate.

[Question] Did you know that each day more teachers and professors complain about the low level of primary education?

[Answer] I know that the professors who give examinations to enter secondary school are concerned about the low level of the results. We have seen that in the averages last year and we can confirm the problem. The averages in the admission tests are very low. We are taking the problem to the Federal Education Council because there precisely is /where it is necessary to revert the problem/ [in italics].

[Question] How, concretely?

[Answer] We do not yet have concrete measures but we do have some favorable results. For example, the literacy level continues to be low in Chaco; it is about 60 percent. However, positive results were achieved there. There are schools in Saenz Pena that function at the same level as any good establishment in Buenos Aires.

[Question] Former minister Llerena Amadeo said that the educational system was neither a system nor educational. After 7 months in the position, do you agree?

[Answer] Remember that Llerena himself later said that we should not continue to talk about it; it was necessary to work concretely and directly on education. I share that idea of Dr Llerena Amadeo.

[Question] Do you believe something has improved?

[Answer] Some things, yes. Project 13, for example, which we are following establishment by establishment.

[Question] Why do problems arise every so often with female teachers who wear pants to school?

[Answer] What do you want me to say? These are problems of internal discipline in the schools and customs of the parents and teachers, merely trifles.

[Question] Does the ministry prohibit pants?

[Answer] The guidelines are clear: reasonable clothing and a decent appearance are required. We are all in agreement on that. My daughter, for example, wears pants to work in the winter; she teaches in a religious school. These are not general problems where we must take urgent measures in spite of the occasional uproar.

[Question] What percentage of the university professors are heads of their departments?

[Answer] Frankly, I do not have that figure.

[Question] It is said that for years the level of the universities has gone downhill because the teachers do not know how long they will be in their positions. If at some time they would be confirmed....

[Answer] Well, that is changing. In Buenos Aires, authorities and teachers will be elected at the end of November. The same thing will occur in La Plata within 50 days.

[Question] Is Argentina a country of mediocrities?

[Answer] I would not say that it is a country of mediocrities but that Argentina is afraid of mediocrity. A country that acts as it did on 2 April is not a country of mediocrities.

[Question] Isn't it a country that takes decades to write an education law that does not succeed in defining what the university needs, that cannot stop school drop-outs?

[Answer] Argentina is a country that is not yet 200 years old. With respect to the university, I believe that they are of many different levels. The Argentine problem lies in knowing why the student goes to the university: to seek knowledge, to approach truth or simply to obtain a professional degree.

[Question] What do you think?

[Answer] In more cases than desirable, he goes to obtain a professional degree.

[Question] Is the university of today merely a factory of professionals and future unemployed?

[Answer] There is great confusion between the university as a place where one goes to obtain a degree and the university as a place where knowledge is studied. I believe that the confusion lies there and the country must end that confusion by returning as quickly as possible to the university as a place where knowledge is studied.

[Question] Can there be another Marxist infiltration of the faculty as happened at the beginning of 1970?

[Answer] That is difficult to answer. It depends on how well the country has assimilated the negative consequences of that infiltration. I hope that the universities do not again become a place of agitation and partisan confrontation politics.

[Question] In the school of today, is the student educated for the republic?

[Answer] That is the synthesis of my policy: to educate for the good use of freedom. That is what I am doing.

[Question] Are you achieving it?

[Answer] To some degree, yes. When a director manages the money from his own establishment, when the problem of keeping ledgers is no longer a problem, we are advancing in that area. In other words, it is necessary to decrease regulation and give greater freedom of action to the teacher. That is a very slow task.

[Question] How much will it cost a parent to send two children to school when classes resume?

[Answer] I cannot give you or anyone that figure because I do not know how much it might cost in money. Leave that for the economists. Our subject is how we are going to administer the resources that we have so that education continues functioning. This, of course, is not simple.

7717

CSO: 3010/2131

UNIVERSITY STUDENTS GROUP EXPRESSES POLITICAL OPINIONS

Buenos Aires SOMOS in Spanish 23 Jul 82 p 20

[Text] "We want to transform our nonconformity into experience and participation," said Martin Redrado, leader of Base Zero, an active group at the School of Economic Sciences of the University of Buenos Aires since 1980. One of its members placed the group in the middle between the hyperpoliticized university of 1972 and the indifferent and unthinking university of 1980. They publish a magazine, support academic activities and freely indulge in internal political debates like a good opinion group. SOMOS spoke with Martin Redrado, Hernan Caffarone, Horacio Fontenla, Maria Alejandra Borel and Alejandro Chaptó. Following are their opinions:

We do not want the youth to serve as the spearhead of any experiment (Redrado). We have to abandon the tendency toward the easy and at times demagogic explanation of reality. We have to be lucid witnesses of reality. That is almost an obligation for university youth (Chaptó). Witnesses and judges. We have to watch that those grandiloquent phrases that are heard so often are transformed into deeds. It is necessary to avoid the situation where someone reaches power and becomes omnipotent, not listening to anyone any more (Redrado).

We have spent 6 years with the Process government complaining about populist demagogues. By banning every type of political expression, creating a vacuum, they wasted all these years. There could have been a process of wholesome formation. The youth do not have the slightest idea what politics is (Fontenla).

At this time, most of the youth does not identify with the leading class. That is not because they are old; I do not believe it is an age problem. I believe that there are old proposals and new proposals. There are leaders who, in spite of their years and in spite of the ban, experienced an ideological renewal. It is serious and criticizable when ideas remain frozen (Redrado).

Partisan politics does not have a place in the university. The political parties must go to the university to train leaders, not to seek activists or a shock brigade which is unfortunately what happened before (Chaptó).

The democracy that we want is not a sham, one of physical aggression toward anyone who does not think like I, or one of insults or threats (Borel). I believe democracy must have a much broader support base. Man likes to be a participant in the historical processes. To be a participant, he must be given a little power. How? Through school councils, neighborhood councils, student centers--in other words, all the intermediate associations that can channel that power (Redrado). What pleasure is there in participating in controlled parties and organizations like many unions (Chapto).

I am afraid of a justicialism that does not permit opposition (Borel). If justicialism wins in the next elections, it is necessary to wait for it to fulfill its cycle, not knock on the doors of the barracks (Redrado). If it reaches power, it will dry up alone (Caffarone).

We hope that a moderate force, remote from populism or elitism, will rise up, a point of equilibrium where all the strata of society can be in balance (Caffarone). I hope that 5 million youths who have never voted realize the alternatives to revive the liberal spirit of the Constitution (Borel).

The cycles repeat themselves. If agreement for the soldiers to leave with honor is not reached, problems could arise. Some are going to want to return and the opportunity will remain for another coup (Caffarone).

We are tired of a state that gives or takes away--that is, that only serves the interests of those who are temporarily in power. We have to use a system of rewards and punishments in the economy where the most efficient and the most imaginative triumph. That does not occur because the most influential are there. In short, we do not want a state that favors sectorial interests. We have had enough of the omnipotent state. Let the private sector be the motor for the growth of the country (Redrado).

7717

CSO: 3010/2131

FEJUVE RELEASES PLAN TO ALLEVIATE ECONOMIC CRISIS

La Paz EL DIARIO in Spanish 8 Aug 82 p 5

[Text] In order to resolve the economic crisis that is now plaguing the country, the Federation of Neighborhood Committees (FEJUVE) has drawn up four plans designed to rehabilitate the national economy. These projects will be studied by the Central Government over the next few days, announced the leaders of that organization.

The author of the plans, FEJUVE Economic Adviser Jose Taboada, indicated in a report that considering the economic nature of the causes of the crisis the people of Bolivia are suffering, this problem can be solved by attacking the root of the evil, which can be accomplished by immediately carrying out concrete projects to reactivate the country's economy and production.

The studies undertaken by the Federation include a Mining Project, a National Wheat Plan, the Organization of Production Units, and the rehabilitation of the Lloyd Bolivian Airline (LAB).

Mining Project

In stressing the importance of this project, FEJUVE Alternate President Raul Catacora pointed out that the study considers the possibility of creating five production nuclei, each with a production capacity of 842.4 long tons of fine-weight tin per year, at a cost equivalent to \$3,091,677.00 for each nucleus, in national currency.

In addition, each nucleus will employ 1,789 workers, and will earn a gross annual income of \$9,434,880.00 (assuming a rate of \$5.00 per fine pound of tin), and a per-worker income of \$2,994.36 per year.

National Wheat Plan

The second project involves the gradual substitution of wheat imports, in four stages. It will require a total investment of \$99,395,800, of which \$38,097.00 will correspond to cultivation and \$61,298,800 will be used to purchase machinery.

The first stage of the project calls for the cultivation of 3,000 hectares, with an investment of \$3,991,800, and the second stage entails the use of 37,400 hectares, with an investment of \$49,764,400. The third stage involves the planting of 12,200 hectares, with an investment of \$16,233,300. Finally, the fourth phase calls for the cultivation of 22,200 hectares, requiring an investment of \$29,406,300. In addition, seven experimental farms will be built in the seven wheat zones of Bolivia, representing an investment of \$931,420.00.

Production Units

The third project involves the organization of Production Units, mechanized or not, in Bolivian agriculture. The purpose is to increase the per-hectare production of food, and to lower the cost of living in the cities.

Rehabilitation of LAB

According to FEJUVE Economic Adviser Jose Taboada, the fourth project considers the real possibility of the Lloyd Bolivian Airline's becoming a profitable enterprise in the near future.

The economic rehabilitation of the LAB is based on cutting the superfluous costs that have seriously threatened the stability of the enterprise, because the only thing these costs accomplish is to increase the deficit of the nation's top airline.

8926

CSO: 3010/2156

SOCIOECONOMIC CRISIS TERMED UNPRECEDENTED

Cochabamba LOS TIEMPOS in Spanish 11 Aug 82 pp 1, 5

[Text] La Paz, 10 August--The persistence of active strikes in important sectors, the near bankruptcy of several businesses, and the convening of large-scale meetings of union leaders, are eloquent and depressing indications of the state of complete economic and social deterioration for which no solution appears on the horizon.

It is not a matter of "temporary crises" in one activity or another, but of manifestations of general chaos never before seen in the annals of the republic. In view of this situation, government officials seem to be acting in another context, another reality, somewhat bureaucratically.

While the root of the problem is strictly economic-financial, with the national coffers depleted, no solution can be viable as long as the political-institutional difficulties of the republic remain unsolved.

In this regard, the military government feels it has taken the appropriate steps with the ratification of general elections in April of next year, while some political parties, business sectors, labor unions and even civilian organizations obsessively call for the prompt restitution of civilian power, without bothering to determine whether what they consider so urgent is or would be juridically illegal.

Active Strikes

In addition to the general strike by public service drivers that entered its sixth day today, with strikers demanding pay for the 1,000 out of 44,000 drivers who have not been paid, a semi-national strike has been called by government teachers demanding the payment of wages and bonuses earned as long ago as June.

The employees of the Prefecture of La Paz have been on strike for a week, demanding the extension of a wage increase recognized by the state for the majority of civil servants. The strikers claim that the payment of the benefits in question will require "no more than 7 million pesos."

In small factories and businesses, the raises called for in last February's decree have not been paid.

In the construction industry alone, unemployment has reached alarming proportions that cannot be concealed. The people who used to line up for work on Mondays have become masses of unemployed.

The unemployment rate among women is unprecedented in this country. Middle class youths have opted for a form of disguised prostitution, seeking clients in full public view and in broad daylight.

Near-bankruptcy

For some time now, due to the extremes of the so-called floating exchange rate of the dollar, many commercial houses have been laying off personnel, shutting down businesses or failing to pay certain allowances.

Formerly large construction firms have been in default on bank loans, and face bankruptcy proceedings. Small companies went out of business long ago. Today something unheard of happened: the co-owners of a luxury apartment building known as the "Tower of the Americas," the second-highest building in the city, occupied the property de facto in anticipation of an auction for non-payment of bank obligations by the construction firm.

Workers

In view of these and other extremes, all resulting from the general economic crisis, the workers are pressuring their leaders to obtain job security guarantees.

Union leaders have called large-scale meetings of their officers, at which resolutions were passed and votes were taken that did not end up changing the workers' plight at all.

Yesterday manufacturing workers concluded their conference; the drivers began their own meeting today; and to top it off, the Bolivian Labor Federation (COB) today began a national conference whose resolutions are awaited like mana from heaven.

Politicians

At universities and academic facilities forums and debates have been organized, invariably concerning the general crisis. Guidelines and recommendations have been adopted, but no one ever takes notes.

Among the more than 50 political parties, the most that is done is to hold inter-party talks and demand immediate constitutionalization, as if that would solve everything, the transition from a military to a civilian government, even if the latter has only a centrist orientation.

The alarming aspect of all this is that certain sectors of the population are sinking into despair and assuming belligerent attitudes, setting the stage for any insurgency that comes along.

8926

CSO: 3010/2156

COB PRESSES FOR DISSOLUTION OF ARMY-PEASANT ACCORD

La Paz HOY in Spanish 4 Aug 82 p 12

[Text] The Bolivian Labor Federation (COB), joining efforts with the farm labor union movement, demands the dissolution of the Army-Peasant Pact because it is harmful and threatening to the labor organization and to social legislation, it states in a communique.

Referring to the Single Labor Confederation of Farm Workers of Bolivia, the COB states that it supports the peasants in their demand that government authorities find a favorable solution to the conflict that emerged with the declaration of a hunger strike.

The peasants are asking that their union headquarters be returned to them, that they receive fair prices for their products, and other items.

Agricultural Bank

The COB also asks that sanctions be imposed on those who indiscriminately profited from loans granted by the Agricultural Bank of Bolivia, which is now suffering from a lack of liquidity.

The top-ranking workers organization asks that the buildings and lands owned by the delinquent debtors be confiscated. The debtors benefited from credit extended during the government of Gen Hugo Banzer Suarez.

The COB will demand that government authorities take a logical, rational attitude that serves the interests of the Bolivian people, states the communique.

The Agricultural Bank of Bolivia was created as a development institution that was to implement Agrarian Reform, providing farmers with credit and technical assistance, says the COB document.

8926

CSO: 3010/2155

BANK EMPLOYEES DEMAND ECONOMIC POLICY REFORMS

La Paz HOY in Spanish 5 Aug 82 p 12

[Text] Bank employees contend that the unlawful control of power in the country will cease when the exploited classes, brought into the vanguard by the proletariat, take control of the nation, according to a document written by that organization.

In their conclusions at the end of the First Departmental Congress of La Paz, the bank employees state that "the Armed Forces and the bourgeoisie have a single objective: to ensure that power is held, whether by coup or by elections. This leaves the workers with just one alternative: democracy or bourgeoisie as a favor or a punishment handed out by the dominant classes."

The working class demands that its democratic rights and liberties be opened up and expanded as a means to advance toward achieving its historical objectives, says the communique.

In view of a series of irregularities committed during the past 17 years by successive governments, the bank employees and affiliated workers declare a popular mobilization for defense, to counter regressive procrastination.

Furthermore, they refuse to recognize the current government because it is illegitimate, anti-people and representative of a military clique that did not consider the interests of the national majorities.

They request "that the military return to its specific functions, and that the paramilitary bands financed and maintained by drug traffickers be disbanded."

The bank employees declare their full adherence to the class independence set forth by the Bolivian Labor Federation (COB), and a permanent mobilization in defense of labor and political viability, freedom of expression and the popular economy.

The Departmental Federation of Bank Employees and Related Workers of La Paz (FESTBRA) demands the withdrawal of Army troops from the mines, the defense of university autonomy, and the creation of the Labor Union Training Institute.

In the economic sphere, the employees maintain that the economic measures applied in the country, on the recommendation of the International Monetary Fund (IMF), have served to aggravate the economic, social and political crisis in this country.

The bank employees "demand the total modification of the economic policy, not the explanation of models imposed by international organizations, whose features are alien and harmful to national interests."

"To face this crisis, we must first have political stability, with decisive popular participation to guarantee the formulation and implementation of an emergency economic recovery plan, basically oriented toward the reactivation of production and employment, the elimination of the flight of foreign reserves, the recovery of control over exchange policy, a genuine renegotiation of the foreign debt, and the creation of a stabilization fund to find a solution to the problem of external strangulation," state the bank employees.

8926

CSO: 3010/2155

BRIEFS

MRTK MOBILIZES--The Tupaj Katari Revolutionary Movement (MRTK) has declared a general mobilization in defense of the peasants who have been on a hunger strike for the past week, demanding fair prices for agricultural products and the return of union headquarters. Upon announcing this measure, this group claimed that none of the proposals made to the government has been favorably received so far: rights and guarantees for the freedom to form unions; the elimination of the transportation monopoly and of the military-peasant pact; the creation of consumption and marketing centers for agricultural products; autonomy and redress for the Quechua, Aymara and Tupiguarani nationalities; social security for farmers; equal opportunities for higher education; the genuine implementation of agrarian revolution; and the elimination of centers of peasant repression. The MRTK believes that these measures, supported and demanded by the vast majority of the population, have been completely overlooked or ignored by government authorities. It also mentions those political organizations "that in the fever of elections request and demand the peasant vote, promising endless compensations and rights." [Text] [La Paz HOY in Spanish 5 Aug 82 p 12] 8926

FEJUVE DISTRIBUTES BREAD--The Federation of Neighborhood Committees (FEJUVE) will take charge of the distribution of ordinary bread in this city, said La Paz Mayor Alfonso Gosalvez yesterday. At a press conference the city leader acknowledged the limitations of his staff in dealing with the distribution of bread to the public, and pointed out that he had decided to entrust FEJUVE with the sale of that product, baked in municipal ovens. Gosalvez announced that the bread will continue to be baked, but said that the 25 percent of the flour provided by the Ministry of Industry and Commerce for that purpose is not enough to meet growing demand for the product. The remaining 75 percent of the flour earmarked for local consumption is delivered to bakeries, which presumably hide the product or use it for baking special bread or pastas that the people cannot afford, said Mayor Gosalvez. According to the agreement signed by the mayor, the current price of a unit of ordinary bread allows bakers to cover their costs and make a profit. [Text] [La Paz HOY in Spanish 6 Aug 82 p 3] 8926

SIDERSA NEAR BANKRUPTCY--The Bolivian Iron and Steel Enterprise (SIDERSA) is on the verge of bankruptcy because it does not have enough funds to meet its minimum operational requirements, according to spokesmen for the entity. Of an estimated total income of 35 million pesos for this fiscal year, so far only 1 million has been obtained. Basic projects at the Mutun Complex, such as access roads, could not be completed this year for lack of money. Nor was there enough material to maintain existing machinery at the complex. The problem is not just at SIDERSA; most departments of public agencies that do not have their own income cannot even buy office supplies. In general, their budget requests were not honored by the General Treasury of the Nation. At the Catastro Office, employees must purchase their own supplies, such as pencils, pens and paper, and other necessities for office work. Similar situations can be observed at the ministries, and even in the decentralized agencies which usually have their own resources, circumstances are affected by the same problem: the economic crisis that is plaguing the entire nation. [Text] [La Paz HOY in Spanish 12 Aug 82 p 3] 8926

CSO: 3010/2156

PRESIDENTIAL CHANCES OF PDS CANDIDATES EVALUATED

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 8 Aug 82 p 4

[Article by Carlos Chagas: "Government Directs Presidential Succession"]

[Text] For outside consumption they say it is not yet time, that the November elections will change everything, that Gen Joao Figueiredo will only head the process in 1984. Actually, inside and outside the government, there is talk of nothing else. The machinery of succession is in order, catalogued and defined in favor of the PDS [Social Democratic Party], given the recent arrangements and packages that changed the electoral game for this year and the makeup of the electoral college responsible for appointing the future president. The 479 federal deputies, 69 senators and 138 state deputies--6 from each of the 23 states--will meet in January 1985 and vote. Even losing a simple majority in the new Federal Chamber, the situation will be compensated for with a majority in the Senate and with the representatives of the Legislative Assemblies. Only by a miracle or by surprise will the opposition win (and maintain) one-half plus one of the 786 eligible electors who will once more substitute for the direct vote of 52 million ineligible voters.

Former President Ernesto Geisel and President Joao Figueiredo had lunch in Rio in the official residence of Gavea Pequena a month ago. As is his custom, Geisel spoke in a sort of recommendation. He told Figueiredo that he could not lose control of the succession in the midst of so many candidacies and hopefuls in action. Whether or not he vetoed some names which have been mentioned or which are already campaigning, that is a subject for the future. However, he maintained that the chief executive should not allow himself to be bypassed nor to have things presented as accomplished facts. It is necessary that he prepare to exert influence as of now if necessary or to utter the last word when the time comes.

Up to now the president, whether or not he accepts the advice of his predecessor, has remained completely silent. He avoids the subject, he scowls and changes the subject (except with Geisel?) when some unwary person seeks to bring it up. He remains aloof, even running the risk of being bypassed. Names, however, are on the street as are the candidacies.

Mario Andreazza, Octavio Medeiros, Aureliano Chaves and Costa Cavalcanti make up the list most in evidence. Leिताo de Abreu, Helio Beltran, and perhaps an active duty general serving in the army, should not be disregarded. And there is Paulo Salim Maluf, a sort of joker for upsetting the game is running in his own lane. The others being mentioned, such as Antonio Carlos Magalhaes, Marco Antonio Maciel, Ney Braga and Cesar Cals would compete, even through alliances which would be more geographical than political, for the vice presidency.

Today, the Strongest Candidate is Still Andreazza

If the PDS convention were to be held next week, all indications are that Mario Andreazza would be nominated. There is even comment about the unrevealed preference by Figueiredo for his minister of interior, who is a sort of popular exception in a ministry which long ago lost its credibility. Andreazza is a positive image of government, not because of the ministry he heads but because of his own position and image. It was not by chance that the president placed in his hands the impossible mission of working so that the PDS would win the November elections. But if it loses by little, it will be due to him despite the fact that he today has less money than he would like released by Delfim Netto, but with an activity that covers the 4,000 national municipalities. At the side of his office at the Esplanada dos Ministros, there is a well-locked mysterious room with a computer and some trusted assistants. It is enough to press the keys referring to Xique-Xique in Bahia, for example, for there to appear the list of funds allocated there in the areas of housing, sanitation, education, health, help of all types to the prefecture, the name of the prefect, the name of the candidate for prefect, and especially, the names of the federal and state deputies who serve as intermediaries in part of the allocations. This is because part of them have been direct, with his presence revealed throughout national territory, and what is left, is carefully distributed through the present governors and governor candidates. That is why he has won solid bases in the Northeast. Every meeting of the SUDENE [Superintendency for Development of the Northeast] is the equivalent of a rally in his favor despite the caution of some governors who do not want to commit themselves in case of other possible successors.

A strong political ally of Andreazza is the president of the PDS, Senator Jose Sarney, who does not hide his preference. In the ministry he has the support of Leिताo de Abreu and Octavio Medeiros, if things do not turn in favor of either of them, and of the majority of the ministers in the social area. Delfim Netto, a real enigma in the succession, would not disapprove of his candidacy and the military no longer views him as "The colonel who cannot command generals." After all, if he had continued in active service, he would wear the fourth star today. Moreover, because of his origins, he represents the guarantee that in government he will not allow a return to the past or the presence of his former comrades on the dock of the accused.

Up until some months ago he would not even allow discussion of the subject. When it was brought up he argued that it was a midsummer's night dream. If he stated that he did not have political support, which he now has, he spoke, as he still speaks, of the untimeliness of bringing the question up prematurely because

the important thing is unity of the government. Even now he cautiously repeats that Figueiredo will pick his candidate at the right time. However, he now accepts speculations on his own candidacy or at least he admits that he could be one of the names considered and even picked.

At certain times he appears to be overcome by depression, recalling that he is 62 years-of-age and, particularly, that the succession is scheduled to take place in a different manner than in the past and that he could not have as much political support as other candidates. Read that Paulo Maluf. Two years ago, the then governor of Sao Paulo assayed one of his pantomimes at succession with the ill-advised help of Minister Abi-Ackel, who went so far as to raise one of his arms as they do for boxing champions. It was on a Sunday. On Monday, the minister of interior exploded in one of the vestibules of Planalto Palace: "It was not for that that we carried out the revolution." Today he may not be so convinced of the negative, although he does not agree with the hypothesis. If the rules of the game are political, there is no way to prevent the campaign of a politician, even one named Paulo Maluf, unless someone decides behind the scenes to remove the joker from the deck. But who? And how?

He knows he can count on the opposition of Gen Golbery do Couto e Silva, who from his home in Luziana continues as active, or more active than ever, in the art of political maneuvering and dealing. The former chief of the Civilian Household has already said more than once that Andreazza would be "another Costa e Silva in the Presidency," a derogatory way of speaking by one who persists in refusing to acknowledge the efforts made, although unsuccessfully, by the old marshal to maintain and later reestablish democracy in the country. Since the main batteries of Golbery are also turned against General Medeiros, the minister of interior will have to wait and endure, and if necessary, overcome that resistance. Obviously Gen Ernesto Geisel does not approve of his candidacy either, but is the influence of the former president in political or military terms an important factor today?

Almost 20 years after having his name aired for the first time as the successor by Costa e Silva, for whom he was minister of transportation, Andreazza returned to square one. In 1968 he saw himself estranged by the issuance of Institutional Act No 5, which militarized the process for as long as it was not revoked. Then came the selection of Gen Joao Figueiredo.

Tomorrow it could be Medeiros

Speaking about the militarization of the process of succession, a hypothesis which has been denied but not filed away because of that, there appears the second possible official candidate. Figueiredo is perhaps leaning toward Andreazza today, with the political opening progressing as it is progressing today. However, in the case of a regression, even without new institutional acts, if it were to be necessary to curb what Planalto Palace calls the dangers of excesses by the left, the presidential inclination would be for the chief of the SNI [National Intelligence Service], Gen Octavio Medeiros. Oddly enough, recent indications are that he does not want it. At least that is what he reveals, even with emphasis, to questioners. He is said to be tired of being unfairly pictured by part of the press as being an obstacle to a faster

development of the democratic process. Perhaps he has not had the time to discuss the subject with his right arm, Gen Newton de Oliveira e Cruz, chief of the SNI Central Agency and unless I am mistaken, his chief electoral aide.

The SNI, as has been said, is a government within a government, an agency which every day handles and oversees more subjects, problems and areas of action. It is even maintaining a watch to keep state companies from inflating their budgets. Two general-presidents came from the agency: Garrastazu Medici and Joao Figueiredo. There is no reason, in the peculiar view of the system, why a third should not come from there even though the situation now is different. Months ago, through an exchange of ideas more than through meetings, the members of the Army High Command concluded that the successor to Figueiredo should not come from the armed forces or from their active duty ranks. The military would have to give up the stage and work behind the scenes, tending to their constitutional mission and downplaying the question of national security without the onus of being the government and having to grapple with generalized complaints and demands on the crisis which no general-president resolved. That aspect works against the Octavio Medeiros option because he does not have the support of former President Garrastazu Medici and receives the impact of the ostensive opposition of Gens Golbery de Couto e Silva and Ernesto Geisel. The former chief of the Civilian Household left the government because of squabbles and their results, which in the end were won by the present chief of the SNI. The episodes of Rio Centro (Golbery wanted a real investigation of the incident while Medeiros advocated that which finally came to pass) were the climax of a clash, intensified from the first months of the term of Figueiredo. Golbery is credited with the phrase "To block Medeiros I will even support Maluf," and his capability to act cannot be underestimated. He has been peeved at the SNI chief since the times when Golbery granted influence in Rio to the "sui generis" figure of Doctor Guilherme Romano, his special "ambassador," and suffered the sniping of his colleague when he spared no efforts to make Nelson Marchezan president of the Chamber against dissident Djalma Marinho. At that time Medeiros commented: "Not even in the times of Joao Goulart was something similar seen in the enticing of deputies in exchange for official favors." When he left office he wrote a vehement letter addressed to President Figueiredo in which he did not spare the barbs against the activities and influence of the SNI chief. In the present and in the future Gen Golbery do Couto e Silva will do everything in the political and administrative areas and in the business community to prevent his candidacy. The only place he will not have any great influence will be in the military area where his star has ceased to shine.

Gen Octavio Medeiros has been with General Figueiredo for a long time, having worked with him since the decade of the 50's and, ironically, also with Golbery do Couto e Silva, Mario Andreazza, Jaime Portella, Heitor de Aquino Ferreira, Danilo Venturini and others, beginning at the old "rubber house," a building on Uruguaiana Street in Rio de Janeiro. There, before the capital was moved, was where the intelligence and counterintelligence services of the National Security Council operated. Only for short periods did he leave the so-called "community" he now heads. One of those times was when he was the Brazilian military attache in Israel.

His influence in political circles is minimal, because in addition to not coexisting with legislators because of his duties, he is not viewed by the PDS [Social Democratic Party] as anything but an "emergency or revolutionary" solution if the process were to regress. In summation, if Octavio Medeiros works out, it will not be the electoral college which formally appoints the successor to Figueiredo.

Aureliano Makes no Demands but Believes he is an Alternative

The expression "I shall not run" brings us to the third name on the list. Vice President Aureliano Chaves reiterates that he does not seek the presidential nomination but he always adds, with the characteristics of a native of Minas Gerais, "But neither do I exclude myself." He believes that because of the office he holds he is an alternative to be considered at the proper time. When they sit at the table to make decisions under the command of Gen Joao Figueiredo, he hopes he will not be forgotten, or rather he will not let himself be forgotten, he revealed some days ago. Actually, as he also says, his future political path will be "upward or home," which means he either becomes president or he ends his public life. Because of all that he also appears as a candidate. He has not begun to gather political support. A former state deputy, federal deputy and governor of Minas Gerais, he hesitates to go ahead with the creation of a legislative nucleus to support him, an attitude which leads close friends to warn him that he is losing precious time and space. He believes, however, that he who comes out first runs the risk of breaking the water jug and not getting a drink, an obvious allusion to Paulo Maluf. In the powerplay surrounding the succession, he has the respect of President Joao Figueiredo but the palace group maintains a formal distance. Primarily after the Minister Leitao de Abreu became chief of the Civilian Household, he has ceased to participate in decision-making meetings on political and institutional initiatives. He was not pleased, although he recovered later, with the nomination of Eliseu Resende as PDS candidate to the governorship of Minas. He had previously stated in public that he was sometimes a politician not a technocrat, when questioned about the pretensions of the former minister of transportation. As someone with origins in the old PDS, he sought to create a reasonable base subsequently for his nomination. With Eliseu Resende nominated, he eschewed half measures, making general statements with respect to the importance of Minas closing ranks around a native of Minas for Planalto Palace, however, his obvious inclinations will be for Mario Andreazza.

Aureliano Chaves could present an alternative for the group headed by former President Ernesto Geisel and Gen Golbery do Couto e Silva. He was seen by both becoming governor of Minas, first, and then vice president of the republic. Both nominations fell to him out of the sky but it is unlikely the third will fall unless he can find a way. Considered a capable administrator and with a profound knowledge of energy problems, he is a politician of determined positions and in conflict with the economic-financial policy of Minister Delfim Netto. Between them there is only the relationship called for by protocol and it is not by accident that the chief of the SEPLAN [Planning Secretariat], every time that Figueiredo leaves the government, he either goes with him or he finds a last-minute mission he has to fulfill abroad. When the president had his heart attack last year, he assumed the presidency in a serious situation.

Gen Octavio Medeiros and Gen Danilo Venturini expressed the opinion that he should not assume the office but Minister Leita0 Abreu maneuvered in the opposite direction, supported by the final decision of the other military ministers. The military sector also showed itself to be supportive of the vice president and far from erecting obstacles to his future candidacy, they could even give him support. In circles close to the generals he is considered--and these could be nothing but rumors circulated by possible adversaries--as having lost the possibility of military support because he did not order the expulsion of the French priests and turned the process over to the courts. The story is the exact opposite, the intelligence community notwithstanding.

Cavalcanti only Waits for Itaipu to be Ready

The fourth candidate or nominee is former Minister Costa Cavalcanti, who like Mario Andreazza is of military origins, a general in the reserves. He has had a political life; he was a federal deputy from Pernambuco and later minister of mines and energy and of interior in the governments of Costa e Silva and Garrastazu Medici. He also adhered to the principle that he who runs becomes tired, but he does not deny aspirations. He even confirms this clearly: "Who would not like to rule his country?"

In July last year, former President Garrastazu Medici, former SNI chief Gen Carlos Alberto Fontoura, the then minister of the Federal Supreme Court and he were having lunch in a Rio restaurant. It was the "Medici" group in the midst of the ostracism posed by the implacable presence of Gen Golbery do Couto e Silva of the "Castello" group as leader of the orchestra. At a certain point Fontoura commented that they needed to begin to coordinate the next succession and seek a candidate. He was cut short by Garrastazu Medici: "Seek, what for? Look at him," said the former president pointing to Costa Cavalcanti, who has the special boon of having the good will of the "Castello" group. After all, Geisel made him president of the greatest public undertaking of the country, the Itaipu Binational. Figueiredo, without relieving him of that position, asked him to take on the presidency of ELETROBRAS [Brazilian Electric Power Companies, Inc] and up to now he still holds both posts. He does not believe the time for initiating the campaign has come. It will come when Figueiredo decides further on, around the middle of next year, when the Itaipu powerplant should be inaugurated. Frequently, parties of legislators, militarymen and technicians are invited to visit the project, something which does not take place gratuitously.

The Other Options: Leita0, Beltrao...

Waiting in the wings, accepting the hypothesis or not, wishing or not wishing that the aforementioned four will collide with insurmountable obstacles, are other candidates. Minister Leita0 de Abreu, as political coordinator of the government and an obstinate follower of the law, functions as the guardian of the opening. Garrastazu Medici, for whom he also headed the Civilian Household, tried to make him his successor but he was overcome by the steamroller of the Ernesto Geisel candidacy. Leita0 could reemerge as an alternative, as could Helio Beltrao, for whom Figueiredo demonstrates great esteem and who is kept in reserve for present and even future ministerial missions. Despite the

consensus of the High Command, no one guarantees that if the institutional process were to regress the military will not decide on the need for another general-president "certainly the last, however." In that case, the decision would be divided in condominium between Figueiredo and Gen Walter Pires, who incidentally is not, and will not be, a candidate. However, Gen Coelho Netto...

In the midst of the procession, trampling the palanquins with the holy statues, altar boys and bishops, is Paulo Maluf, who cannot be counted out. He does not hide the fact that he is waging a campaign. He will be elected a federal deputy with a great number of votes and is already announcing that as of next year the PDS Convention will begin to work. If the succession is political, it could very well be that the politicians at his service could become a majority because of the peculiar methods of support he is developing. After a long meeting with Gen Ernesto Geisel 2 weeks ago, he imagines he will no longer be rejected by the former president. He believes that if General Golbery intends to support him merely to harm Andreazza and Medeiros, later pulling the rug out from under him, he may be deceiving himself and have no time left for recovering. They say he has 30 million cruzeiros available for the campaign and already has the support of 130 federal deputies and senators. Without the slightest ceremony, he forces open any doors which appear, he insinuates himself and imagines, no matter how absurd it may be, that he has the means for overcoming prepared plans and win a victory at the convention of his party more or less the way he won the governorship of Sao Paulo at the convention of the extinct ARENA [National Renewal Alliance].

The reason for this is that the internal regulations of the convention established for the election of Figueiredo are very liberal. They establish that even during the convention a certain number of conventioners may present previously unregistered candidacies. Perhaps for that very reason they may be changed. Perhaps not.

With that information, and perhaps with other until now unknown, Figueiredo will work. He could even be working already if he accepted Geisel's advice.

8908

CSO: 3001/219

CHAVES VIEWS IMPACT OF CURRENT DIFFICULTIES ON ELECTIONS

Brasília CORREIO BRAZILIENSE in Portuguese 2 Aug 82 p 3

[Interview with Vice President Aureliano Chaves; in Belo Horizonte, date not given]

[Text] Following is the full text of the interview granted to the Belo Horizonte press:

[Question] What does the government plan to do to improve the situation of the Social Democratic Party (PDS) with reference to inflation?

[Answer] The government has expended a very great effort with reference to reversing the inflation rates. The situation is not easy; the problem of combating inflation in any country in the world is extremely difficult. Brazil is a country that has its own possibilities; it is a country that needs to invest to generate employment of every kind, from the most skilled to the least skilled, to take care of the ever-growing numbers of youths who are entering the labor market. Because of that, it is necessary to strike a very judicious balance between the monetary measures to expand credit, with repercussions on the inflationary process, and the need to maintain certain levels of investment which are essential to insure the supply of jobs. That is not really an easy measure but the effort has to be in that regard; to avert a recession that would be really disastrous to the life of the country and to fight to reduce inflation rates to tolerable levels.

[Question] What political suggestion would you have for your party to pursue in the campaign?

[Answer] It is necessary to talk clearly to the people; it is necessary to admit the difficulties and to show in a quite clear manner the effort that the government has been making, which has not had the desired success but which in any case has enabled the country to go through that period of difficulties with relative calm.

[Question] Do you think the PDS is going to pay for the onus of that inflation in the November elections?

[Answer] As the people are sufficiently and courageously enlightened by our party, by all the candidates, I believe that it will have the necessary comprehension of the problem. It is clear that those difficulties tend to have a repercussion on the election process and nobody is going to be deluded about that. Nevertheless, if we are aware that we are making a valid effort to reverse that expectation, we have to go out to the people courageously in defense of our points of view. If we assume a timid attitude toward the problems, we will be concurring in the criticism that the opposition is making, we will be contributing to aggravating the process--not expressly but tacitly, either by our silence or by the shaking of our head.

For that reason, I believe that there should be a debate not only on the radio and television, but in all areas; that is what is important. Nobody wins an election alone. It is important for us to have united action, because nobody wins an election alone in any part of the world, in any part of Brazil, and particularly in Minas Gerais. What we have to do is to exert a united effort; each one in the area in which it is his responsibility to make a contribution.

[Question] Do you believe that the debate should return to the radio and television?

[Answer] In a general sense, the truth is that a very broad debate is taking place on the radio and television. Sometimes there is a very big gap between the story and the truth. The fact is that everyone has had wide access to television inasmuch as there has never been as much debate as now on television despite the fact that the legislation in effect gives a contrary idea. No opposition candidate, no opposition politician has had his access to the communications media hindered. On the contrary, they have had a broad dissemination of their ideas. So great as the dissemination of their ideas been that they have succeeded in getting part of the public to tune in to them, in a clear proof that the story does not correspond to the reality of the facts.

[Question] Do you believe that certain points of the Falcao Law have expired?

[Answer] We cannot say specifically expired but superseded.

But it is Minister Ibrahim Abi-Ackel, who is present here, who can speak about that.

[Question] Is there a danger that the FINSOCIAL will take votes away from the government in the forthcoming elections?

[Answer] I do not believe so, since the problem of the business community with the FINSOCIAL is [not] one of merit, but rather of being preliminary. With regard to merit, in other words, the just destination of the FINSOCIAL, to this date, nobody has failed to regard the government's action to be a valid one, inasmuch as it seeks to channel a reasonable share of the funds derived from a tax on companies to take care of the underprivileged areas. So it is essentially a social tax, as its very name indicates, which is naturally understood by a society that knows perfectly well that we still have much to do no behalf of the underprivileged. Now, the aspect of being preliminary that was raised

by some businessmen, a small number of businessmen, is an aspect that is going to be settled by the appropriate sector, namely, the courts--regarding the constitutionality or unconstitutionality of the government action. As for merit, there was no opposing point of view, not even those who took court action against the FINSOCIAL because they did it strictly from the point of view of form and not of essence. Nobody contested the merit of the FINSOCIAL. For that reason, I agree that it is a worthy action and that it responds to the aspirations of Brazilian society, which seeks to minimize the differences between the regions of our country, which are still very great, and between individuals. Our joint effort, which seeks to build a less unequal society--an egalitarian society is utopia--must be marked by intensive action in the social area. It is obvious that in order for the government to take action in the social area, it is necessary for it to have behind it the assurance of a sound and well-structured economy. There is a pari-passu relationship between the initiatives in the economic area with a view to solidifying the economic structure of the country and an action in the social area that seeks to minimize the differences of development and income between regions and between individuals.

[Question] Would the government gain among the beneficiaries of the FINSOCIAL what it would lose in votes among the businessmen?

[Answer] I do not believe it will really lose votes among the businessmen, except for one or another, because each businessman is a voting citizen and consequently has the right to make his choices. I do not believe that that is going to be the determining factor of the position of the Brazilian business community. In my opinion, the business community has a broader view of the Brazilian situation. It is not going to allow itself to be contaminated by a fact of that nature to take a position in favor of or against the government.

[Question] In the event that Magalhaes Pinto does not run for the senate, what is the best choice for the Minas PDS?

[Answer] I cannot make judgments on hypotheses. We all consider Deputy Magalães Pinto as a leader of great prominence not only in Minas but in Brazil because he is a man capable of gaining election representation in any office he vies for. It is an answer that can only be given by him, who is present here.

[Question] How do you view the political picture in Minas?

[Answer] I view the political picture in Minas with confidence. We had the opportunity to speak at length with the political leaders of Minas about that. We do not have any illusions that the campaign is going to be difficult. There is naturally a new group of voters, of youths who are voting for the first time. We do not know specifically what will be the behavior of those youths; there is an opposition candidate who is competent from the political point of view. We are confident because our candidates, who in a general sense are bearing messages that harmonize very well with the aspirations of the people of Minas, are candidates who are prominent in the public life of our country. Eliseu Resende has demonstrated his indisputable competence in different posi-

tions. He has carried to the Minas voters a message which in my opinion conforms to the aspirations of a Minas that wants to occupy ever more important positions in the context of the federation. This is a position to which Minas has a right, not only by its past but also because of its potential which, given the proper impulse, will project the state more and more in the context of the nation.

8711

CSO: 3001/215

CANDIDATES FOR GOVERNOR, DEPUTIES, SENATORS LISTED

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 10 Aug 82 p 2

[Text] With the holding of the last conventions this weekend, the list of candidates of all political parties for the 15 November elections has been completed unless someone dies, withdraws or has his registration disallowed by the Electoral Court. For the candidates to the major posts--governor, vice governor and senator--that period begins to be counted as of the "incidents which led to the withdrawal," the party concerned having 10 days in which to make a substitution under the penalty of having the registration of all its other candidates cancelled.

In the case of candidates in proportional elections--federal and state deputies and councilmen--that period is established by the Electoral Court 60 days before the election. A high source of the Electoral Court explained in Brasilia that the withdrawal of a candidate for governor, vice governor or senator may be made within the 60-day period providing it comes under the "reasons" established by electoral legislation: death, withdrawal or cancellation of registration.

The municipalities which did not have their conventions for the selection of candidates, may do so within 15 days. The nominations shall be made by party regional executive committees.

In Sao Paulo, the Electoral Supreme Court (TSE) announced yesterday that the period for making application for registration of all candidates from all parties will be closed with no extensions on the 17th.

The authority for closing the registration period is stipulated in Article 24, Paragraph 2 of Resolution 11,270 of the TSE on the presentation of the qualifications for registration of all party candidates for governor, vice governor, senator, federal and state deputy, prefect, vice prefect and councilman.

Pursuant to Chapter 4, Article 24 of that resolution, "The request for registration shall be required by the president of the regional directorate," with the preparation of the pertinent documents.

Voters

The Regional Electoral Court stated yesterday that the number of voters in the interior of Sao Paulo and the capital should "go far beyond" the 12.5 million voters forecast "in an expectation then considered optimistic by the Electoral Court."

The period for registration of new voters and the transfer of voting cards was closed last Friday. However, because of the great activity in the interior and the capital in requesting new voting cards, the Regional Electoral Court already expects the number of 13 million voters in Sao Paulo, although the exact number will only be confirmed in coming weeks.

The following is the list of candidates to governor and vice governor throughout the country:

Estado	PDS	PDT	PT	PTB	PMDB
Acre	Jorge Kalume (Walter Prado)	---	Nelson Mourão (Elias Rezende)	Natalino Brito Filho (Guilherme Zaire)	Nabor Telles Júnior (Yolanda Fleming)
Alagoas	Divaldo Suruagy (José Tavares)	---	---	---	José Costa (Humberto Torres)
Amazonas	Josué Filho (Mário Haddad)	---	Oswaldo Gomes Coelho (Simpliciano Souza)	Plínio Coelho (Clóvis Lemos)	Gilberto Mestrinho (Manuel H. Ribeiro)
Bahia	Cleriston Andrade (Rogério Rego)	---	Edval Passos (José Novaes)	---	Roberto Santos (Rômulo de Almeida)
Ceará	Luiz G. F. Mota (Adauto Bezerra)	---	Américo Barreira (Antônio Alves Lins)	---	Mauro Benevides (Ossires Pontes)
Espirito Santo	Carlos Von Schilgen (José M. Feu Rosa)	Augusto Nogueira (Oswaldo Marmore)	Perly Cipriano (Maria José Machado)	---	Gerson Camata (José Morais)
Goiás	Octávio Lage (Benedito Ferrelra)	Paulo Timm (Cícero Gomes)	Athos M. Silva (Parcival Coelho)	---	Iris Rezende (Onofre Quinan)
Maranhão	Luiz A. C. Rocha (João Gonçalves)	Reginaldo Souza (Ozenilde Bernau)	Oswaldo A. Furtado (Sebastião A. Brito)	Cesário S. G. Coimbra (Eurípides Bezerra)	Renato Archer (Aureliano Neto)
Mato Grosso	Júlio J. Campos (Wilmar de Farias)	Anacleto Ciocari (Olimpio Arruda)	João Monlevade (Daphne A. da Silva)	---	Raimundo Pombo da Cruz (Lourenberg N. Rocha)
Mato Grosso do Sul	José Elias Moreira (Carlos Stephanini)	Wilson Fadul (Nilo O. M. Ribas)	Antônio C. de Oliveira (Antônio Cardoso)	---	Wilson B. Martins (Ramez Tebet)
Minas Gerais	Eliseu Resende (Bias Fortes)	Teotônio dos Santos (Maria Felícia Macedo)	Sandra Starling (Milton de Freitas)	---	Tancredo Neves (Hélio Garcia)
Pará	Oziel Carneiro (Zeno Veloso)	---	Hélio Dourado (Otávio Sales)	Mário Sampaio (Raimundo Chaves)	Jader Barbalho (Laércio Franco)
Paraíba	Wilson Braga (José C. Silva Júnior)	---	Derly Pereira (José Olimpio)	---	Antônio Mariz (Mário Silveira)
Paraná	Saul Raiz (João Paulino)	Edson Sá (Zulmira Simões)	Edésio Passos (Luís S. Baldy)	Hamilton V. Magalhães (Valter Mota Campos)	José Richa (João E. F. Campos)
Pernambuco	Roberto Magalhães (Gustavo Krause)	---	Manoel da Conceição (Antônio Rios)	Antônio Melo (Hélio Seixas)	Marcos Freire (Fernando Coelho)
Piauí	Hugo Napoleão (José Medeiros)	---	---	---	Alberto Silva (Waldir R. Dias)
Rio Grande do Norte	José Agripino Maia (Radir Pereira)	---	Rubens Lemos (Sebastião Getúlio)	Vicente C. de Brito (Antônio Coelho)	Aloísio Alves (Pedro Lucena)
Rio Grande do Sul	Jair Soares (Cláudio Strassburger)	Alceu Collares (Otávio Rocha)	Olívio Dutra (Gecl Lautert Prates)	---	Pedro Simon (Odacir Klein)
Rio de Janeiro	Moreira Franco (Mello Franco)	Leonel Brizola (Darcy Ribeiro)	Lizáneas Maciel (Wilson Farias)	Sandra Cavalcanti (Ario Teodoro)	Miro Teixeira (Jorge Gama)
Santa Catarina	Esperidião Amin (Victor Fontana)	Ligia D. de Andrade (Sílvia Figueiredo)	Eurides Mescollotto (Vitorio Sitherem)	Osmar Cunha (Ary Schubert)	Jaison Barreto (João Linhares)
São Paulo	Reynaldo de Barros (Afif Domingos)	Rogê Ferreira (João Gualberto)	Luís Ignácio da Silva (Hélio Bicudo)	Jânio Quadros (Francisco de Barros)	Franco Montoro (Orestes Quéricia)
Sergipe	João Alves Filho (Antônio C. Valadares)	Manoel Ferreira (José O. Caetano)	Marcello Bonfim Rocha (Adelmo G. Ribeiro)	---	Gilvan Rocha (Benedito Figueiredo)

There are 143 Candidates for the Senate

This is the list of candidates for senate, a total of 143; not all parties presented candidates in all states.

Acre: PDS [Socialist Democratic Party], Said Farhat and Francisco Diogenes Araujo; PT [Workers Party], Abraham Farhat Neto; PTB [Brazilian Labor Party], Raimundo Lopes de Melo; PMDB [Brazilian Democratic Movement Party], Mario Maia and Laelia Alcantara.

Alagoas: PDS, Guilherme Palmeira; PMDB, Jose Moura.

Amazonas: PDS, Jose Lindoso, Sadie Hauache and Domingos Savio Lima; PT, Marlene Ribeiro Pardo, Marcio Souza and Evandro Carreira; PTB, Edmundo Levy; PMDB, Fabio Lucena, Leopoldo Peres and Aureo Melo.

Bahia: PDS, Luiz Vianna Filho; PT, Sergio Guimaraes; PMDB, Waldir Pires.

Ceara: PDS, Virgilio Tavora; PT, William Montenegro; PMDB Dorian Sampaio.

Espirito Santo: PDS, Camilo Cola, Vicente Silveira and Setembrino Pelissari; PDT, Aristeu Geraldo Tozzo, PT, Rogerio Sarlo de Medeiros; PMDB, Jose Ignacio Ferreira, Dirceu Cardoso and Ferdinand Berrede de Menezes.

Goiás: PDS, Ruy Brasil Cavalcante Junior and Osires Teixeira; PDT, Jose de Arimateia e Silva; PT, Paulo Faria, PMDB, Lazaro Ferreira Barbosa and Mauro Borges Teixeira.

Maranhao: PDS, Joao Castelo Ribeiro Goncalves and Luiz Fernando Freire; PDT, Cley Lago; PT, Oliveiros Pereira Santiago; PMDB, Joao Motta.

Mato Grosso: PDS, Roberto de Oliveira Campos, Gabriel Novis Neves and Vicente Vuolo; PDT, Divaldo Valeriano Campos; PT, Asterio Lacerda Melo; PMDB, Jose Vicente Bezerra Neto and Jose Garcia Neto.

Mato Grosso do Sul: PDS, Italvio Coelho, Waldomiro Goncalves and Walter de Castro; PDT, Wilson Grunewaldt; PT, Jose Mirrha; PMDB, Marcelo Miranda and Antonio Mendes Canale.

Minas Gerais: PDS, Joao Marques de Vasconcelos; PDT, Wilson Carneiro Vidigal; PT, Joaquim de Oliveira; PMDB, Itamar Franco and Simao da Cunha.

Para: PDS, Jarbas Passarinho; PT, Manoel Almeida; PTB, Carlos Costa de Oliveria; PMDB, Helio Gueiros, Joao Menezes and Itair Silva.

Paraiba: PDS, Marcondes Gadelha, Amir Gaudencio and Olavo Nobrega; PT, Idalino da Silva; PMDB, Pedro Gondim, Ney Suassuna and Djanir Arruda.

Parana: PDS, Ney Braga, PDT, Jose Raimundo; PT, Manoel Isaias de Santana; PTB, Alfonso Antoniuk; PMDB, Alvaro Dias and Leite Chaves.

Pernambuco: PDS, Marco MACIEL; PT, Bruno Maranhao; PTB, Helio Nunes da Silva; PMDB, Cid Sampaio.

Piaui: PDS, Bernardino Soares Viana, Joao Climaco D'Almeida and Joao Calixto Lobo; PMDB, Fancilio Almeida, Francisco das Chagas Rodrigues and Walmor Carvalho.

Rio Grande do Norte: PDS, Carlos Alberto de Souza and Ulysses Potiguar; PT, Elisiel Barbosa; PTB, Jose Antonio Duda da Rocha; PMDB, Roberto Furtado, Odilon Coutinho and Olavo Montenegro.

Rio Grande do Sul: PDS, Carlos Alberto Chiarelli and Alberto Hoffmann; PDT, Getulio Pereira Dias; PT, Raul Anglada Pont; PMDB, Paulo Brossard de Souza Pinto.

Rio de Janeiro: PDS, Celio Borja; PDT, Saturnino Braga; PT, Wladimir Palmeira; PTB, Paiva Muniz, Joao Pinheiro Neto and Celso Brandt; PMDB, Mario Martins, Paulo Alberto Monteiro de Barros and Raphael de Almeida Magalhaes.

Rondonia: PDS, Claudionor Couto Roriz, Odacir Soares Rodrigues, Reinaldo Galvao Modesto; PT, Odair Cordeiro, Onofre Kojo and Josias Galval; PMDB, Jeronimo Garcia de Santana, Carlo Augusto Godoy and Djair Prieto.

Santa Catarina: PDS, Jorge Konder Bornhausen; PDT, Acacio Bernardes; PT, Valmir Martins; PTB, Joao Casnock; PMDB, Pedro Ivo Campos.

Sao Paulo: PDS, Jose Papa Junior; Adhemar de Barros Filho and Blota Junior; PDT, Euzabio Rocha; PT, Jacob Bittar, Leila Abramo and Devanir de Souza; PTB, Paulo Irineu, Ruy de Almeida Santos and Jose Roberto Faria Lima; PMDB, Almino Afonso, Severo Gomes and Helio Navarro.

Sergipe: PDS, Albano Franco; PDT, Manoel Augusto de Oliveira; PT, Jovino Pinto; PMDB, Evaldo Campos.

8908

CSO: 3001/219

GUBERNATORIAL CANDIDATES COMMENT ON GALLUP POLL

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 18 Aug 82 p 5

[Text] For Senator Franco Montoro, having been picked in a Gallup Institute Poll made after the debate by the candidates for the governorship of Sao Paulo as the most prepared to assume that office," is not "accidental" but rather the result of a long and methodical work of organization. Roge Ferreira, candidate from the PDT [Democratic Workers Party], commenting on the same poll, said only that he was satisfied with the 6-percent increase recorded in his popularity rating. If this mark is repeated, he said ironically, after a few more debates "I shall be leading in the polls."

In the PDS [Social Democratic Party] and the PT [Workers Party] meanwhile, there were many criticisms of the results revealed yesterday by the Gallup Institute. Former Prefect Reynaldo de Barros said he does not believe in opinion polls, saying: "At most they reveal trends." Luis Ignacio Silva, candidate of the PT, was in the region of Avare on a political campaign and his opinion could not be obtained, however, the leader of the party in the Sao Paulo Legislative Assembly, Deputy Marcos Aurelio Ribeiro, accused the Gallup Institute of "being partisan and supporting Montoro," even when the results showed that the PT candidate was the winner in the debate.

PMDB [Brazilian Democratic Movement Party]

The fact that he was indicated by the Gallup Institute Poll as being the best prepared candidate for assuming the Sao Paulo governorship "is not an accident," in the opinion of Senator Franco Montoro. "That," he said yesterday in Sao Paulo, "is the result of work performed for more than 2 years with a group of more than 500 technicians and specialists in the search for suggestions and initiatives which may be effective in the solution of the problems of Sao Paulo."

He continued: "I have the impression," he continued, "that what has happened to the people, to judge by the results of the debate, is that they noted that there exists a specific government program. Undoubtedly public opinion can distinguish between slogans and specific programs. Behind this candidacy there is a serious, profound, detailed work based on the specific reality of the State of Sao Paulo."

PDT

"If I were to win 6 percent after each debate in which I participated, with a few more I would be leading in the polls." The statement was made yesterday by the PDT candidate to the governorship of Sao Paulo, Roge Ferreira, about the poll by the Gallup Institute on the performance of the most important candidates to the governorship during the debate they had in the auditorium of O ESTADO DE SAO PAULO.

Saying he felt aggrieved at being placed behind Reynaldo de Barros "whose work was that of leaving the prefecture of Sao Paulo with empty coffers and with enormous debts for his successor," the PT candidate said: "The main burden of my candidacy is that I was cassated for 18 years. That is why I am unknown. Montoro has been a candidate for 10 years, not counting the previous years when he was a candidate; Lula has been one for 2 years at least and Reynaldo since he became the prefect. I have only been a candidate for 3 months. That is why, for someone who has nothing, it cannot help but be comforting to know that 6 percent of the people are convinced by our message and our socialist exhortations."

Roge Ferreira said he believes in the exactness of the figures of the poll and said he always sought "to debate at a high level." He believes he did not obtain better results "because at heart the voters allow themselves to be influenced in their voting preference and in that case, those whose names are most mentioned, those who are best known, have the advantage."

He added: "In any case, I reaffirm everything I said previously: I believe the debate was excellent and very well organized. The initiative deserves our most hearty congratulations. And for my part, I believe I sounded the theme I wanted: My target as a candidate is the military dictatorship which cannot continue to rule the Brazilian people."

PDS

The PDS candidate to the governorship of Sao Paulo, Reynaldo de Barros, said yesterday he does not believe in public opinion polls. "At the most," he declared, "they reveal trends. However, I do not believe in just ordinary polls." He pointed to two surveys of public opinion as "clear examples" of how polls can reveal different results. One of them was done by the Gallup Institute and the other published as a paid item in the newspapers by the IPPM [Sao Paulo Market Research Institute]. Both refer to the debate held at the auditorium of O ESTADO DE SAO PAULO among the most important candidates to the governorship of Sao Paulo.

In the IPPM poll mentioned by the former prefect, Luis Ignacio da Silva appears in first place as the winner of the debate, although he is followed by Reynaldo de Barros. The second part of the poll attributed to the IPPM refers to the intention to vote and there Reynaldo de Barros appears in first place with 22.8 percent more people favoring him, followed by Franco Montoro with 22.7 percent.

"That is why," said Renaldo de Barros, "I believe that the poll could be partisan. The results depend greatly on the place where the survey is made, the way in which the question is phrased and several other things."

The former prefect also declared that he saw "no useful purpose in having such polls. All that is very fortuitous and brings no plausible conclusion."

PT

The leader of the Workers Party in the Legislative Assembly, Deputy Marcos Aurelio Ribeiro, has already accused the Gallup Institute of being "partisan and a Montoro supporter, considering "captious" the question prepared by that institute for the purpose of finding out who the voters found the "most prepared for administering government" among the candidates. As far as Marcos Aurelio is concerned, the question couched in those terms showed the "Montoro leanings" of that institute because it is "directed with the defined purpose of attending to the interests of the PMDB candidate."

PTB [Brazilian Labor Party]

Former President Janio Quadros, candidate to the governorship of the state from the PTB, said yesterday in Riberiao Preto that "The people were left very disappointed" by the personal appearances of the other four candidates in the debate promoted by O ESTADO and REDE GLOBO DE TELEVISAO. When the debate was being recorded, he declared, he was giving a talk to 2,500 university students in Bauru.

Congratulations

Deputies Eduardo Suplicy of the PT and Jose Yunes of the PMDB sent congratulations to ESTADO and REDE GLOBO yesterday for "the excellent debate you provided" among the candidates to the Sao Paulo governorship.

Suplicy lamented the absence of the PTB candidate and described it as "only a quirk with respect to the newspaper, one of the most important press organs in the country. It is an incomprehensible quirk."

The municipal chamber in Pindamonhangaba also approved an expression of congratulations to the newspaper and the television station unanimously.

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CSO: 3001/225

PDS STILL EXPECTS TO WIN GOVERNOR RACES IN KEY STATES

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 15 Aug 82 p 5

[Text] The PDS [Social Democratic Party] would certainly lose the governorships of Sao Paulo, Minas Gerais, Rio de Janeiro, Mato Grosso do Sul, Acre and Goias if elections were held now, acknowledges one of the main political advisers to President Figueiredo, adding, however, that the campaign could present some surprises by November. That possibility is cited for Pernambuco and Rio Grande do Sul where the PMDB [Brazilian Democratic Party Movement] was considered the favorite with its candidates but there is beginning to be an improvement in the standing of Jair Soares and Roberto Magalhaes. In Parana, Amazonas and Para, the opposite is taking place in the opinion of the Planalto Palace analysts, with an increase in difficulties for a victory of the PDS candidates to government.

In some cases, according to official forecasts, the weak showing of the PDS could result from inexperienced or unskilled politicians such as Eliseu Resende; from underestimated, difficult situations, such as that of Para, or from the imposition of drafted candidates such as Saul Raiz in Parana. On the other hand, Jair Soares has become an agreeable surprise despite having been harmed by the actions of his successor in the ministry, Helio Beltrao--this is acknowledged by the source. The same thing is happening with Moreira Franco in Rio and Jose Agripino in Rio Grande do Norte. Espirito Santo also worries Planalto Palace, whose unofficial calculations are that the PDS will elect 14 governors.

Unexpected factors could change the way the voters are leaning and that is what the government is counting on to reverse some forecasts which today are considered unfavorable. Such is the case of Rio de Janeiro, where Moreira Franco, according to the opinion of Planalto Palace, is climbing in the ratings while Miro Teixeira of the PMDB is standing still, according to polls, and the initial favorite, Sandra Cavalcant, is losing ground. In those states considered difficult, the PDS will not neglect its campaign and should make it more aggressive, according to the presidential advise, who believes the presence of General Figueiredo on the speaker's platforms is essential for the victory of the PDS.

In Sao Paulo, palace advisers believe more in the division of the opposition parties as a means of wresting votes from the PMDB than in the capabilities of candidate Reynaldo de Barros himself, however, it is one of the states where they believe there may be surprises. Even so those hopes are slim because the differences within the PDS became accented with the departure of former Governor Abreu Sodre, while Laudo Natel displays hostility toward the official candidate. The palace source declared that the governors elected by the opposition will not have easy access, as they may think, to the federal government and should have to undergo a period of "coldness" in the relationship between the two executive offices.

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CSO: 3001/225

GALLUP POLL REVEALS SHARP DECLINE IN PRESIDENT'S POPULARITY

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 20 Aug 82 p 4

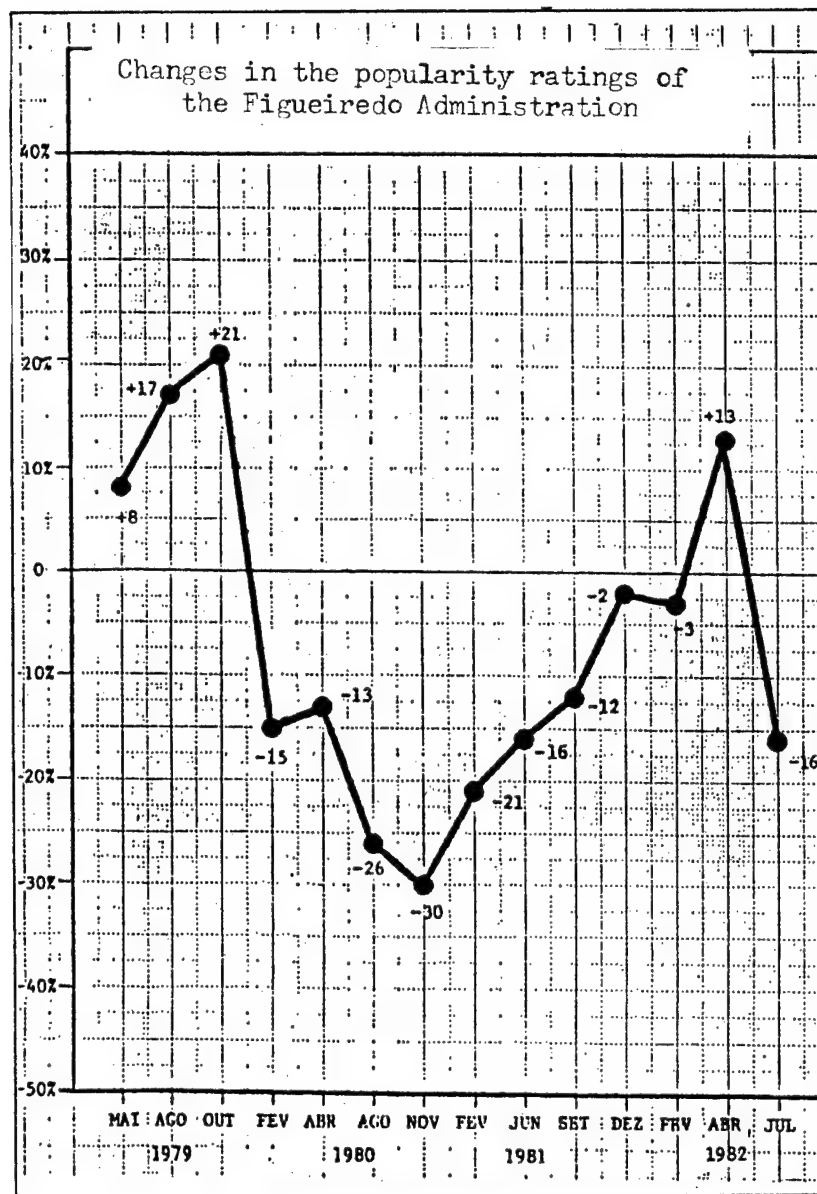
[Text] The popularity rating of President Figueiredo suffered a marked decline between April and July, returning to the negative levels recorded a year ago-- -16 percent--and halting a rising trend which had been recorded since the beginning of 1981.

Those results are from the most recent poll by the Gallup Institute accomplished in July throughout the country among representative samplings of the adult Brazilian population. Such polls have been made every quarter since General Figueiredo was sworn in as president of the republic.

In the July poll, only 38 percent of those interviewed approved the way in which President Figueiredo is governing the country and 54 percent disapproved of his work, thus causing a negative rating of -16 percent, exactly equal to that obtained in the June 1981 poll. The only difference is that at that time the index, although also negative, was part of the rising trend of the presidential popularity, which began in February 1981 and continued with only a slight decline between December 1981 and February 1982 until April.

The -16 percent also marks the return of double figure negative ratings which pursued the popularity of Figueiredo during the greatest part of his term. Actually, positive ratings were only recorded during the first year of the Figueiredo Administration in 1979, when they grew from +8 percent in May to +21 percent in October, then declining to -15 percent in the greatest decline (36 percentage points) ever recorded, and increasing to +13 in April this year.

Since February 1981 the popularity of the president has had a negative rating, reaching its lowest point in November 1981 with -30 percent, at which time the rise began which was interrupted in July this year. That -16 percent also marks the second largest decline in the prestige of Figueiredo: 29 percentage points.



The Gallup poll divided those interviewed by regions of the country and by the size of the cities. In those two subdivisions, the only exception in disapproving the president's work is in the northeast, where he has a positive rating of +5 percent. In the other regions and cities of all sizes the ratings are negative.

Among the regions, the greatest disapproval rating on the way Figueiredo has been handling the government was recorded in the south with -21 percent, followed by the southeast with -19 percent and the center-west with -15 percent. In the comparison among cities, negative ratings were in the majority, as was already expected, in the cities with more than 50,000 voters (-30 percent) and in the

capitals (-22 percent). However, the disapproval rating continued to be in the majority even in the medium and small cities. In the cities having from 10,000 to 50,000 voters, there was -14 percent rating; in those with 5,000 to 10,000 voters, it was -10 percent; and in those with up to 5,000 voters, the rating was -6 percent.

	TOTAL NACIONAL (1)	(2) REGIÕES DO PAÍS (3)				(8) TAMANHO DE CIDADES EM ELEITORES				
		(4) SU- DESTE	(5) SUL	(6) NOR- DESTE	(7) CENTRO -OESTE	(8) CAPI- TAIS	MAIS DE 50000 ELEI- TORES	DE 10000 A 50000 ELEI- TORES	DE 5001 A 10000 ELEI- TORES	ATÉ 5000 ELEI- TORES
	x	x	x	x	x	x	(9)	(10)	(11)	x(12)
APROVAÇÃO (13)	38	36	37	48	38	35	32	40	42	40
DESAPROVAÇÃO (14)	54	57	56	43	53	57	62	54	52	46
ÍNDICE DE PO- PULARIDADE (DIFERENÇA) (15)	-16	-19	-21	+5	-15	-22	-30	-14	-10	-6

Key:

- | | |
|-----------------------------|------------------------------------|
| 1. National total | 9. More than 50,000 voters |
| 2. Regions of country | 10. 10,000 to 50,000 voters |
| 3. Size of cities in voters | 11. 5,000 to 10,000 voters |
| 4. Southeast | 12. Up to 5,000 voters |
| 5. South | 13. Approval |
| 6. Northeast | 14. Disapproval |
| 7. Center-west | 15. Popularity rating (difference) |
| 8. Capitals | |

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CSO: 3001/225

U.S. FOREIGN POLICY VIEWED AS LACKING CONSISTENCY

Rio de Janeiro JORNAL DO BRASIL in Portuguese 8 Aug 82 p 10

[Editorial: "Dream Diplomacy"]

[Text] Giving new Secretary of State, George Shultz some time to set his desk in order, European leaders such as German Chancellor Helmut Schmidt temporarily minimize the problems which have arisen in the relations between the United States and West Europe. "They are family problems," says Schmidt, "we must resolve."

It is to be hoped that this optimism has results because a very short time ago French Minister of Foreign Affairs Claude Cheysson said exactly the opposite: "We no longer speak the same language: The United States appears indifferent to our problems."

One of those problems, the source of interminable debates, was that of U.S. interest rates. Later, controversy arose around the question of the gas pipeline--the gigantic engineering project, which, extending from Siberia to France, would bring the USSR between \$5 billion and \$10 billion for Soviet gas sold to the Europeans.

That question was also argued interminably, with appreciable arguments on both sides. The seriousness in this case resides not so much in the fact that there was disagreement, but in the way in which things happened. At the Versailles Conference 2 months previously, the United States showed a willingness to forego a veto against the gas pipeline if France and the other allies desisted from granting cheap loans to the USSR. France changed its rates of interest with respect to the USSR. Things appeared to be underway. From one moment to the next, there was an American flipflop: The United States placed itself squarely against the gas pipeline and extended its embargo against European companies manufacturing equipment under American license. Reagan had in his pocket an American law from 1949 authorizing the president to forbid, whenever he found it suitable, sales to communist countries of products manufactured under American license. However, by being extended to contracts already signed by European firms, his embargo at any rate represented an "export" of American regulations, an imposition on European companies which should have been subject to the laws of their own countries.

At the Brussels Conference of the European Community shortly thereafter, the differences were already unmistakable. The United States, said President Mitterrand, adopted "restrictive, humiliating, unfair and dangerous" measures with respect to its European allies. However, once more at the end of the conference it was possible to avoid the sharper statements by means of a joint communique which emphasized the possibility of a reconciliation of objectives.

President Reagan, however, remain unmoved. There followed acts of open rebellion: France, Italy, West Germany and England itself made clear their intention of not bowing to American demands.

As is obvious, political differences in this case became much more serious than the specific discussion about the gas pipeline. If the United States and Europe differ headon with respect to a crucial point such as East-West trade and relations with the Soviet Union, what purpose would be served by turning to the courts as both parties are thinking of doing? What would remain after that of the strength of the Atlantic Alliance? What greater political victory could Leonid Brezhnev want for pompously ending his reign?

The agents of conciliation are now seeking to rebuild the circuits of understanding, taking advantage of the reorganization of U.S. diplomacy. Although it may be said and repeated meanwhile that George Schultz is a levelheaded man, a specialist in crises and "teamwork," it is not enough for creating the sense of direction which unfortunately seems to be lacking in the execution of U.S. foreign policy. The "California Group," which Schultz now comes to join, does not have any particular sensitivity for foreign policy and, therefore, for the ties that bind the United States to Europe. That lack of direction is also seen in the question of the Middle East; there, also, the United States is changing policy without the slightest guarantee that the new policy will be any better than the old. That lack of direction is becoming more distressing since it is the matter of the only country which after all has the natural attributes for leading the Western Bloc. When will the Californians awaken from their "American dream?"

8908

CSO: 3001/219

MILITARY MANEUVERS PATTERNED ON FALKLANDS WAR

Rio de Janeiro MANCHETE in Portuguese 18 Aug 82 pp 78-83

[Article by Sergio Costa: "If Brazil Went to War"]

[Text] Long before the last rocket streaked across the skies of the South Atlantic in the recent Malvinas War, military strategists in Europe and South America were already reviewing tactics and restudying plans on the basis of the lessons extracted from the operations which involved the English and the Argentines. It was no different in Brazil. Although it is part of an annually scheduled exercise plan for the Air Force with the Parachute Brigade of Rio de Janeiro, Operation Saci this time was patterned on the battles fought for the conquest of Port Stanley, the capital of the archipelago.

The operation is actually a simulation of a state of war and begins on paper as a hypothetical aggression by the "red" country against the "blue" country. In reply, the army and air force of the invaded country lands on occupied territory, where it establishes a bridgehead. As a result of an analysis of the Malvinas battles, Operation Saci placed more emphasis on logistic support than on land movement itself. The Argentine deficiency in that military sector of vital importance in a more prolonged war at the doors of its own territory, did not pass unnoticed by Brazilian observers. For the first time, support was practiced to a task force far from the bases of the V FATA (Air Transport Air Force) and the Army Parachute Brigade in Rio de Janeiro. This is partly an exact reproduction of the greatest problem encountered by Argentine commanders as of the moment in which supplying the disembarked forces on the island became unreliable and extremely difficult because of the activities of English aviation.

In Betione, an Army training area 180 kilometers from Campo Grande in Mato Grosso do Sul, the missions of the two forces were accomplished. They camped near the Campo Grande Air Base, which was transformed into the Mobile Support Echelon of the V FATA. In order to make that possible, 40 aircraft were used in the aerostrategic movement of 1,700 men from Rio to the capital of Mato Grosso do Sul. The aircraft which remained there were the aircraft of the 1st Troop Transport Group (Buffalos, Hercules refueling tankers and Bandeirantes); First Transport Group (Hercules and Avros), Third Squadron of the Eighth Aviation Group (Puma helicopters purchased last year from France), and F-5 fighters, which came from Anapolis only to insure air superiority on the D-Day exercise. The fighters then returned to their base at Santa Cruz, Rio de Janeiro, after an air refueling by a Hercules tanker over the Campo Grande region.

Once the Mobile Support Unit (UMA) in which the aerial units were concentrated was formed, everything was ready for the regressive count to D Day of the operation: The launching of an army parachute task force for the taking of a air bridgehead. According to Col Helio Malta of the 20th Parachute Logistics Battalion, from the point of view of the ground force, the exercise was aimed "primarily at testing the effectiveness of the logistic support to be provided to a rapid deployment strategic force in a region located nearly 2,000 kilometers from its home base." According to the air force plan, the exercise was divided into four basic phases in the period of one week: the aerostrategic transportation from the Campo dos Afonsos Air Base to the interior zone; b) air-ground attack; c) support for the ground force and d) evacuation and return.

That is the way it was planned and that was the way it happened. On the second day (Sunday), pathfinders of the Parachute Brigade were dropped to perform reconnaissance work and to infiltrate into "enemy territory." They would mark the drop zone with a signal for D Day. The eve of the great day, or D-1, was almost tense. Despite the fact that it was an exercise, there was a great expectation in everyone. As a procedure to avoid counterintelligence and at the same time to test the reaction time of the military, orders came from the staff in portions for immediate compliance. Only at the briefings prior to each mission were the details of what was going to happen the next day made known. In the other aspects, activity in the camp was calm. Reveille at 0600, coffee, raising of the flag and a long idle period until time for lunch. In the afternoon, recreation in the form of volleyball, soccer, jogging. At night, bed at 1000.

At the base, the aircraft were lubricated by mechanics. Everything had to be perfect and then some. As Colonel Pradatzki, chief of staff of the V FATA said: "In aviation the perfect is barely acceptable." Care was total, even with the pilots who rested listening to music, dozing or telling stories. This does not mean that no one was working in the camp. In addition to the mechanics, who carefully went over the marvelous flying machines, readying them for D Day, the supply men did not stop for a second. They are the first to rise and the last to go to bed, responsible for the structural operation of the Support Unit.

Also vital is the activity of the Cellular Health Units, with an average daily treatment of 25 patients, and of the Aerotactical Communications Squadron, where if a flight plan for each aircraft prior to flying or drop missions is not filed, the pilot would have his aircraft considered as shot down in combat. On D Day, a Tuesday, reveille sounded at 0330. Everyone rose faster than usual. Minutes later, after coffee, all were on the runway of the air base for loading on the aircraft. These, with engines running, completed the picture, offering the less informed passerby the soundtrack of a real war. Everything in the dark. A numbing cold and that ceaseless noise of turning propellers, with scores of paratroopers behind the tail of each aircraft. Cold is it not? It is. Imagine what they went through in the Malvinas.

But it was not the South Atlantic that brought that fantasy. The film was another. The scene? The loading in "A Bridge Too Far," a picture preferred by the military men; there in living color under the sky of central Brazil. At H Hour--0610--with the rising sun, the first Buffalo (C115) appeared in the bluish-grey skies of Drop Zone Alfa (DZA), spilling out 31 paratroopers along its entire length. The same thing happened a minute and one-half later. It was in that same fashion that another four C115's and two Avro's, which made up the formation, passed by at the same interval. Then came the Bandeirantes: Six in two formations of three. Each lead aircraft dropped 10 men. Around the perimeter of the drop zone the F-5 fighter aircraft simulated air cover for the vulnerable transport aircraft. They were guided from the ground by Captain Bohrer of the V FATA, who used the radio on one of the Puma helicopters used to bring invited authorities and the staffs of V FATA and the brigade to witness the drop. At the end the fighters made an attack, using the helicopters themselves as an imaginary target. Near there, as if by magic, the paratroopers disappeared into the jungle and after a simulated battle reappeared on the highway heading toward the Betione airport, where at H Hour plus one there would be heavy drops of ammunition and vehicles for movement and survival on land. The most important part of this year's Operation Saci for the air force and the army began there: Logistic support for an assault troop with only enough combat supplies for 72 hours by means of periodic drops of ammunition and supplies until the hypothetical linkage with the infantry that would be following on land.

Support missions are scheduled daily at the Sunset Meeting in the briefing room of the FAB [Brazilian Air Force]. The events of the day are analyzed there and the missions for the following day are scheduled according to the requests of the Brigade and the requirements for aerial navigator training. The Sunset Meeting on D Day was held in good spirits. Congratulations were exchanged between the two staffs and new drops were agreed upon for the following day.

Wednesday came and went, everything went as had been planned the evening before. The sun arched across the sky and disappeared and a new staff meeting took place.

Thursday, D Day plus 2, held a surprise for everyone: The unexpected visit in the morning by Minister of Air Delio Jardim de Mattos, who after the flag-raising ceremony, heard from the V FATA commander, Air Brigadier Ivan Moacir da Frota, a report on Operation Saci log/82 and made a tour of the FAB camp. He examined the maps of the operation and then in an informal chat ventured a comment on the importance of a good logistic support structure in a war. "If Argentina had possessed the KC135's (air refueling tankers) perhaps the Falklands War would have had another outcome."

Friday was the beginning of the end. After three days in the jungle the paratroopers would be recovered. The happiness in their faces was not concealed. After all, the best thing about a war is its end. Everybody was going home without a band and without fanfare, with the phrase in their heads which God grant will never have to be confirmed:

"In War is done what is trained for in peace."

ARMY HIGH COMMAND FILLS VACANCIES, RESHUFFLES COMMANDS

Rio de Janeiro MANCHETE in Portuguese 14 Aug 82 pp 26-26A

[Article by Murilo Melo Filho: "When the Generals Meet"]

[Text] At its meeting this month, the Army High Command decided not only to fill the two four-star general vacancies but to effect a big reshuffle in various important commands.

To fill the vacancies that occurred with the compulsory retirement of General Antonio Ferreira Marques as chief of the Army General Staff, and with the transformation of the Directorate into the Secretariat of Economy and Finance, which by law has become a post reserved for a general-of-the-army, the High Command sent a list of five major generals [generais de divisao] to the president of the republic: Leonidas Pires, Goncalves, Jorge Sa Freire de Pinho, Mario O'Reilly Souza, Jose Luis Coelho Netto and Octavio Pereira da Costa.

A crisis was caused by the drafting of that list: because he was fourth in the army directory but appeared in fifth place in that list, General Octavio Pereira da Costa asked to be transferred to the reserve.

Another crisis may break out soon: having promoted General Jorge Sa Freire de Pinho, President Joao Figueiredo left General Mario O'Reilly Souza as number 1 on the promotion list and General Jose Luis Coelho Netto as number 2.

Considered the intellectual of the army, General Octavio Pereira da Costa was chief of the press office in the Emilio Medici administration. He was then a colonel. He returned to the army and was promoted to brigadier general and then major general.

He was in the Secretariat General of the Army when he clashed with the military leadership: he did not agree with the decision of General Sergio Ary Pires, then office chief of the Ministry of the Army, who was dismembering various departments of the Secretariat General to form the Directorate of Cultural Affairs, Physical Education and Sports.

He was then transferred from that post and named to the Directorate of Specialization and Extension. He was deputy chief of the Department of Teaching and Research when he was passed over by General Coelho Netto, who was below him.

He was not obliged to request his transfer to the reserve because the promotion law guaranteed him the right to remain on active duty. But he preferred to go on leave and decided not to return to the position of deputy chief of the department where he was assigned.

He made that decision as a matter of personal judgment because he did not consider himself to be in a moral position to remain in the army active service after having been passed over:

"I recognize that my commanders and comrades considered that my military profile was not the one that was best adapted to the profile of the four-star general that the army needs. I humbly respect that judgment and prefer to go home with the certainty that I have always conducted a worthy, active and independent military career. Having been judged, all that remains for me is to submit to that judgment."

With the president of the republic having followed to the letter the list received from the High Command, the situation of General Jose Luis Coelho Netto, present office chief of the Ministry of the Army, becomes quite critical.

Coming from the Minas garrison and being considered a field officer, General Coelho Netto participated in the Brazilian Expeditionary Force (FEB) in Italy, where he received the Medal of the Combat Cross, 1st Class, and he is also, as is the case with President Figueiredo, an army triple-crown winner: number 1 in his class in the Agulhas Negras Military School; number 1 in his class in the Officer Post-Graduate School; and number 1 in his class in the Army Command and General Staff School.

He will have to be promoted to the High Command by November otherwise he will fall into the mandatory discharge category because of being the oldest major general; he was born on 26 January 1921 and is going to be 62 years of age.

By November, then, two more general-of-the-army vacancies have to be opened up, and they may occur in the following possible ways:

1. The advanced retirement of General Reynaldo de Mello Almeida, who is on the Special Roster as justice in the Superior Military Court, having to be replaced there by a four-star general in the active service;
2. The return of General Samuel Alves Correa from the Brazilian Embassy in Iraq, or of General Fernando Bethlem from the Brazilian Embassy in Paraguay, where they will be replaced by other generals-of-the-army;
3. Transformation of the Planalto Military Command into a post reserved for a four-star general, as has already occurred with the military command in Amazonas.

If he retired in November, General Jose Luis Coelho Netto will be an obstacle removed from General Octavio de Medeiros' climb to succeed President Figueiredo.

Rising to membership in the Army High Command because of his military prestige and because of the consistency of his attitudes toward those he commands, he will be a serious candidate for presidential succession.

Of the current army commanders, only three will continue in their posts: the commander of the 1st Army, General Heitor Luis de Almeida; of the 2d, Sergio Ary Pires; and of Amazonia, Euclides Figueiredo Filho. General Henrique Beckman Filho, who until then had been chief of the General Department of Services and who was replaced there by General Enio Gouveia dos Santos, has been assigned to the 3d Army with headquarters in Porto Alegre.

General Tulio Chagas Nogueira, who was commander of the 3d Army, was named army chief of staff to the vacancy opened up by the compulsory retirement of General Antonio Ferreira Marques.

General Enio Gouveia dos Santos was replaced in the command of the 4th Army by General Heitor Arnizaut de Matos, until then chief of the Engineering and Communications Department, where he was replaced by the new four-star General Jorge Sa Freire de Pinho. General Leonidas Pires Goncalves will assume the post of chief of the Secretariat of Economy and Finance.

The following generals will remain in their current posts: General Mario de Melo Matos, chief of the General Department of Personnel; General Heraldo Tavares Alves, chief of the Department of Teaching and Research; and Jose Megalhaes da Silveira, chief of the Ordnance Department.

General Erar de Campos Vasconcelos will be transferred to the reserve ex-officio. He was the second brigadier general in the army directory and his name was not included in the list of the seven candidates for major general vacancies.

The promotion law provides that in case the name of a general or colonel is not on the list submitted by the Army High Command to the president of the republic all that is necessary is for it to be passed over once in order for the officer to be mandatorily transferred to the reserve. Before, it was necessary for him to be passed over twice.

In the case of the promotion of brigadier generals to major generals, President Figueiredo followed to the letter the order of the list submitted by the High Command. The following were generals were promoted: General Athos Cesar Baptista Teixeira (of the 8th Motorized Infantry Brigade, in Pelotas); and General Clovis Borges Azambuja (of the Directorate of Property).

Among the colonels, the following were promoted to general officer rank: Egeo Correa, who leaves the command of the Federal District Military Policy to command the 8th Motorized Infantry Brigade, in Pelotas; Claudio Bicalho Pitombo, who leaves the Army General Staff to command the 1st Construction Engineering Group in Joao Pessoa; and Wladimir de Azevedo, also of the general staff, named to command the 1st Motorized Infantry Brigade in Petropolis.



The High Command is going to be expanded because the Secretariat of Economy and Finance will henceforth be a post reserved for a general-of-the army.





Generals Jorge Sa Freire Pinho and Leonidas Goncalves received the fourth star and will now have a seat in the High Command.



In protest at being downgraded in the list sent by the High Command to the president of the republic, General Octavio Costa asked to be transferred to the reserve. General Luis Coelho Netto (at the right) has now been left in a difficult situation to be promoted to four-star rank.

8711
CSO: 3001/215

PREDICTIONS ON EXPORT SURPLUS REVISED DOWNWARD

July Shows Surplus

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 11 Aug 82 p 23

[Text] The Brazilian balance of trade showed a surplus of \$5 million last month, increasing the positive accumulated difference during the past 7 months to \$260 million, however, exports continue to decline at a more accelerated pace than imports. From January to July, the country exported 9.9 percent less than it did during the same period last year, while the decline in imports remained stable at 13.4 percent, the same rate recorded from January to June. From January to June exports had fallen 8.6 percent.

Exchange revenues obtained by the country from January to July were \$11,637,000,000, compared to \$12,912,000,000 in the same 7 months last year. In that same period, Brazil spent \$11,377,000,000 on imports, of which \$5,581,000,000 were for petroleum, while from January to July last year imports totalled \$13,132,000,000 of which \$6,084,000,000 were spent on petroleum. From January to July last year, however, the country recorded a deficit of \$220 million. In July this year, Brazilian exports were \$1,707,000,000 and imports \$1,702,000,000. Last year in those same 7 months, the balance of trade showed a surplus of \$91 million.

When he announced the July results, the secretary general of the Ministry of Finance could not hide his great frustration: "It is a very small amount, far from what we would desire, fortunately, however, it is a surplus. That small July result, month when we expected the recovery to begin, is a reflection of the difficult situation we have in exporting."

Disappointed, Viacava, who in April of this year was still betting on the goal of a \$3 billion surplus, yesterday refused to make an estimate of the amount by the end of the year. "I would prefer to wait for August to see whether there has been an improvement," he declared, adding: "The next months will be hard and difficult, however we shall continue to give every support to exports."

Despite that situation, the secretary general of the Ministry of Finance does not believe that it is a reason for changing the money exchange policy. "The policy is absolutely correct. The greatest evidence of that is that volume in terms of quantity increased 5 percent, despite of all that crisis on the international market. Therefore, it is not a problem of money exchange. The problem is that prices are on the downturn and there is no sign of recovery," he said.

With respect to exports, Viacava refused to make any forecast on the next 5 months, limiting himself to saying that if that rate of \$1.6 to \$1.7 billion per month continues, there will be monthly deficits. This will happen because imports, which up to now have remained below \$1.7 billion per month, will rise to something around \$1.8 to \$1.9 billion in the next 5 months. The result of that behavior is that the decline of imports by comparison with last year will be around 10 percent, while the 13.4 percent decline noted up to now in exports indicates that the decline will increase by comparison with that recorded up to July.

Exports (millions of dollars)

Item	July/82	Jul/81	%	Jan/Jul 82	Jan/Jul 81	%
Total	1,707	2,052	-16.8	11,637	12,912	-9.9
Coffee	160	111	44.1	1,187	1,101	7.8
Others	1,547	1,941	-20.3	10,450	11,811	-11.5

Imports

Item	Jul/82	Jul/81	%	Jan/Jul 82	Jan/Jul 81	%
Total	1,702	1,961	-13.2	11,377	13,132	-13.4
Petroleum	798	859	- 7.1	5,581	6,084	- 8.3
Others	904	1,102	-18.0	5,796	7,048	-17.8
Difference	5	91				

\$1 Billion Surplus

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 12 Aug 82 p 33

[Text] The progressive tendency of low average prices for agricultural and manufactured articles on the international market and the results of the Brazilian balance of trade for the first 6 months of this year should not allow a surplus of more than \$1 billion, which would "be marvelous," said Tulio Arvelo Duran, the coordinator of applied research of the Foreign Trade Study Center Foundation (FUNCEX), in Rio yesterday.

Despite the gloomy picture, the exporting effort in terms of quantity was not jeopardized, with private enterprise and the government in a comfortable position, since all responsibility can be blamed on the difficult foreign market, said Tulio Duran.

He added that if there were not a general decline in prices, exports in the period June 1981 to May of this year would have brought revenues of \$25.8 billion and imports would have been \$20.7 billion, with a difference of \$5.1 billion. In that case there would not be so many complaints and the secretary general of the Ministry of Finance, Carlos Viacava, would be regarded as the "wizard of exports," said Duran. However, the foreign market situation is so unstable that

no projections can be made without the risk of having nothing coming out right, since estimates are based on constant relative prices.

Visualizing

Tulio Duran said that a deficit in the trade balance of the economy of the country cannot be visualized because such an event would be catastrophic. However, there are no magic solutions and the situation is quite different. The overall decline in average export prices from June 1981 to May 1982 was 9.6 percent.

Exports of basic products in the June 1981 to May 1982 period, according to Tulio Duran, suffered a decline of 4.3 percent but would have increased 14.5 percent if exported volumes had been at last year's prices. Semimanufactured articles declined 20.1 percent, but would have declined only 4.1 percent if prices had been the same as those of 1981. Following the same line of reasoning of volume and prices, manufactured articles would not have increased 19 percent but 30.6 percent.

Economic Blocs

Statistics provided by the Foreign Trade Department (CACEX) of the Bank of Brazil on the Brazilian balance of trade in the January-May period this year, indicate a deficit in trade with eight of the nine main economic blocs. The greatest deficit was recorded with the African market, which had been considered promising, showing a minus 39.19 percent. The only surplus was with the EFTA (European Free Trade Association).

TRADE EXCHANGE

Principal trends of trade by economic bloc (+++)

January-May

1982

\$1,000 FOB

<u>Economic Bloc</u>	<u>1982</u>	<u>1981</u>	<u>Change (82-81)</u>
EEC (+)	3,355,119	3,503,169	-4.23
Middle East	3,178,044	3,273,613	-2.92
United States	2,778,356	3,194,202	-13.02
LAIA (+)	2,525,466	3,021,376	-16.45
Asia (++)	1,517,787	1,670,240	- 9.13
Africa (++)	896,910	1,475,045	-39.19

East Europe	759,623	862,890	-11.97
EFTA (+)	494,097	469,465	- 5.25
Canada	230,626	284,027	-18.80

Source: CACEX

(+) EEC - European Economic Community

LAIA - Latin American Integration Association

EFTA - European Free Trade Association

(++) - Excluding the Middle East

(+++)- Trends of trade are the sums of exports and imports

8908

CSO: 3001/222

MILITARY EXPORTS YIELDED \$1 BILLION IN 1981

Sao Paulo FOLHA DE SAO PAULO in Portuguese 4 Aug 82 p 19

[Text] Rio--Brazilian exports of weapons and military materiel exceeded \$1 billion last year (almost 200 billion cruzeiros), it was reported yesterday by the chief of the Army Media Center, Gen Otavio Rezende. The sales were made to 53 countries and the main customers were developed nations (the United States and European countries), followed by Middle East countries.

When he revealed these figures, which are usually kept secret by CACEX [Foreign Trade Department of the Bank of Brazil], General Rezende said that "there is no basic preoccupation in exporting weapons." He added: "That happens due to an international contingency that causes every weapons-producing country to become an exporter also."

For the chief of the Army Media Center, Brazil continues to be "a small producer and a small exporter" of weapons. Sales abroad "are placed within the context of the production and export of any manufactured item," he said.

Exports of weapons and military materiel are not made on the initiative of the armed forces but result from "decisions of a political nature by the government." He said that the National Security Council, the Ministries of Foreign Affairs and Industry and Commerce analyze exports of weapons together with the armed service which uses the equipment, which could possibly veto the shipment abroad if it is in short supply in its arsenals.

General Rezende pointed out the advantage posed by the fact that the weapons producing industry in Brazil "is almost all national, therefore, there is no remittance of profits or payments of royalties to foreign countries, at the same time that more and more technology is also being developed for civilian purposes." Among the main items in Brazilian weapons exports are aeronautic industry products, light and portable weapons, armored vehicles and munitions.

Lecture at the ESG [War College]

The chief of the Army Media Center also sent the press a summary of the talk Minister Valter Pires made to students of the ESG. According to him, the lecture was on the "updating of the Ministry of the Army," with discussion about "various aspects related to the use of ground forces and plans and programs underway aimed at operational capabilities."

Summarizing the lecture, Gen Octavio Rezende said that resources available for modernization and reequipping of the ground forces is "below reasonable" levels.

"Brazil cannot continue to live in splendid circumstances," declared the general, adding that the conflict for the Malvina Islands showed that every country "must be prepared to face the possibility of a war." Of the Army budget, which is 2.8 percent of the nation's budget, a total of 10 billion cruzeiros is being used this fiscal year for purchases (equipment, weapons and installations) he reported.

Octavio Rezende also said that modernization and reequipment plans for the army were prepared at least 6 years ago, in 1976.

"We progressed in this task in 1980 when we had a reasonable supply of resources, although much below our needs. In 1981, unfortunately, resources declined and we suffered a critical delay in the refurbishing program. This year the allocation of resources was better, although much below what the army would need to remain updated in keeping with international standards."

8908

CSO: 3001/222

MINISTER OF ARMY SEES NEW WEAPONS AT PROVING GROUNDS

Sao Paulo FOLHA DE SAO PAULO in Portuguese 6 Aug 82 p 5

[Text] Rio--Minister of the Army Gen Valter Pires yesterday attended a demonstration of new military weapons at the Marambaia Proving Grounds, among which were two rockets manufactured nationally by AVIBRAS [Aerospace Industry]--the X-20 and X-40--launched successfully at supersonic speeds and falling into the Atlantic after their fuel was exhausted.

The rockets are used in antiaircraft warfare. Another national rocket, the VTPY, was not launched but remained exposed for examination by Gen Valter Pires and his party, which consisted of First Army Commander Gen Heitor Gomes de Almeida; the chief of the office of the ministry, Gen Coelho Neto, and three officers of the Army Staff.

In the exercises, Gen Heitor Gomes de Almeida checked out a hand-held machine-gun, the "Uru," and checked the power of others, the "Uirapuru," developed by the army. The minister visited Marambaia at the invitation of the chief of the Army Technological Center, Gen Argus Fagundes Ourique Moreira.

Missiles and Rockets

The first weapon to be used at the proving grounds was a tank which had a 76mm cannon adapted to 90mm, which avoids having to import ammunition in the future. The cannon fired two rounds at preset targets. The ammunition used yesterday contained no explosives.

Valter Pires also observed the operation of a fire control center mounted on a cannon [presumably means truck], the launching of three "Cobra" missiles and 13 108 rockets manufactured in Rio. The operation of a German-made Roland tank was demonstrated as was a French rocket which intercepts aircraft in flight and a flame thrower of high destructive power. Gen Coelho Neto and other officers took the opportunity to fire an "Uru" machinegun.

8908

CSO: 3001/222

INDUSTRIAL PRODUCTION TO FALL SHORT OF GOAL SAYS CNI

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 7 Aug 82 p 26

[Text] National Confederation of Industries [CNI] estimates on production of the sector in the first 6 months are that its growth will not exceed 2 percent and if there is no substantial improvement by December, the forecast is that it will remain at around 3 percent. Presenting the information yesterday, the chief of the CNI Economic Department, Enio Valadares, said that if the Gross Domestic Product depends on the amount industrial production contributes, it will not reach 5 percent, as Minister of Planning Delfim Netto presumed. [Presumably a 5-percent growth in the GDP].

Although he stated that his figures "are not yet complete," Valadares declared that the figures with which he has been working make it possible to have a good approximate view of the situation in the industrial area. He also pointed out "The surprising oscillations," noted in several sectors for which neither the technicians nor the businessmen have an explanation as yet.

"It is a phenomenon which has been causing general perplexity and the most I would hazard on it is that most of the businessmen are working without short-term planning, turning more toward the immediate, the day-to-day," explained Valadares. He also mentioned two typical cases: "The textile sector which had been effecting a very reasonable improvement since April, inexplicably suffered a reverse in the past 10 days. Automobile sales, in turn, after undergoing an increase at the beginning of the year, declined at the end of June and only now, since about 3 weeks ago, did they manage to overcome that negative tendency."

Even without having any information on the activities of some industries, Valadares described the results recorded by the iron and steel industry this first half of the year as very poor. "It fell more than 10 percent by comparison with same period last year. With the exception of color television and automobile radios, all the rest of the domestic electric and electronic items suffered a decline. In the first case, that of color televisions, a decline is already expected in coming months because retailers did not manage to sell what they expected and inventories built up."

Enio Valadares presumes that there will be a very large decline in the heavy electrical equipment sector (turbines, generators, circuit breakers, among others), and he anticipated that the situation with respect to machinery and equipment is difficult "due to the fact that there is a 50-percent idle capacity and a level of activity which is below that recorded last year."

At the next meeting of the CNI board of directors, probably on the 17th, the Economic Department will present the figures on the industrial sector for the first 6 months of this year.

Popular Consultation

A wide-ranging consultation of all classes of the Brazilian population and the organizations which represent their interests was proposed by businessman Antonio Didier Vianna, president of Microlab and Abicomp (Brazilian Computer Industry Association), so that the government may find a solution to the economic problems of the country, beginning with the high rate of inflation.

Since there is no responsibility of all the sectors of the population with respect to the problems of the country, there is only one responsible entity: the government. Didier Vianna does not hesitate in casting all the blame for inflation and the economic problems now facing the country on the Figueiredo administration. As far as he is concerned, it is totally unacceptable to think of a recession for the country because that is a matter of an economic measure "for the rich countries."

8908

CSO: 3001/222

MILITARY RELATIONS WITH U.S. 'GROWING, SATISFACTORY'

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 8 Aug 82 p 7

[Text] Relations between Brazil and the United States in the military sphere are considered "growing and satisfactory" within the army, where high-ranking officers say that bilateral cooperation was not eliminated by the denunciation during the Geisel administration of the agreement signed between the two countries in 1952. They acknowledge, however, that the style of those relations has changed in recent years and is now based on the interests of both countries. They say there is no need to sign a new agreement.

Since the agreement was broken off, Brazil has gained more freedom to make certain military decisions. Previously, such decisions required prior consultation or automatic alignment by the Brazilian Government.

In the opinion of those military sources, Brazil could obviously not ignore the importance of the United States and its military power: "We speak to each other now as equals, due allowance being made for the proportions of the two armed forces, and we have our own military doctrine," observed one general, who added that it is very difficult to speak of "absolute independence" in the military sphere in relation to nations that are highly developed technologically.

Armament

One result of the new situation that is considered "highly positive" by most of Brazil's military is the impetus given to the Brazilian arms industry in recent years. While the cooperation agreement with the United States was in force, the country continued to depend on imports of much military equipment, although its own arms industry started its "takeoff" about 15 years ago. Brazil began to produce and export arms, replacing important items that had been imported and becoming independent of foreign supplies in a sector that is basic to its security. Today Brazil exports about \$1 billion worth of ordnance and is asserting itself in a highly competitive and unstable market.

Concerning the arms industry, one general officer observed that if it does not sign an agreement, Brazil is more free to sell and perhaps import certain items. Previously, it was subject to U.S. interests as far as purchases or supplies were concerned. Today it has more options, and that, in terms of marketing, is in the interest of any country.

Rapprochement

In the opinion of Brazil's military, there is no need to sign a cooperation agreement in the field of military training. It is enough to carry out bilateral programs.

Two visits last year by the former director of the CIA and former U.S. ambassador to Brazil, Gen Vernon Walters, who was acting as special adviser to President Reagan, helped to "break the ice" between the two countries following a chill in military relations that resulted from a number of stands taken by the Carter administration. Another important event marking the new rapprochement was the appointment by Figueiredo, immediately after taking office, of Brig Gen Wilberto Lima as military attache in Washington. Before the military agreement was broken off, that post had been held exclusively by brigadier generals. Immediately after the agreement was canceled, the post began to be held by a colonel on the initiative of the Brazilian Government. Figueiredo later appointed Wilberto Lima. Brig Gen Rondon Oliveira Guimaraes is the current attache in Washington.

In 1980, Lt Gen Jose Ferraz da Rocha, who was armed forces chief of staff at the time, visited the Pentagon and began an exchange of visits by high-ranking officers. Last year it was the turn of the present armed forces chief of staff, Lt Gen Alacyr Frederico Werner, to visit the United States, with the result that several U.S. general officers then visited Brazil. Those visiting Brazil were Gen David Jones, chairman of the Joint Chiefs of Staff; Gen Wallace Notting, who commands the U.S. Army's Southern Command with headquarters in Panama (it was his third visit to Brazil); Gen John MacEnnery, chairman of the Inter-American Defense Board; and, more recently, Rear Adm Sayre B. Swarztrauber, director of the Inter-American Defense College.

That exchange of visits has promoted a rapprochement between the two countries and exchanges in the military sphere. This even made it possible, during the Falklands conflict, for the two governments to adopt different stands in accordance with each country's interests without any military disagreements as a result. It would have been difficult for that to happen in the past, when automatic alignment was the rule in many cases.

11798

CSO: 3001/221

SNI MONITORING OF GOLBERY, SPLIT WITH FIGUEIREDO VIEWED

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 6 Aug 82 p 5

[Article by Carlos Chagas]

[Text] On Tuesdays, Wednesdays and Thursdays when he is not traveling, he arrives punctually at 0800 hours at his office in the Brasilia branch of the City of Sao Paulo Bank, located in the business section of Superquadra No 302 in the Pilot Plan [Brasilia]. He nods a greeting to the employees on the ground floor and begins receiving visitors on the mezzanine. In some cases the appointments are made a month in advance. He has lunch in his office, always eating the same simple diet meal--grilled beef and salad--brought from home by his chauffeur. He naps for 20 minutes on the narrow sofa, grants more interviews, and goes home at about 1800 hours.

The routine is the same, except perhaps for the difference in his time of arrival and departure, since until 6 August 1981, when his 8 years as head of the Civilian Household of the Presidency ended, General Golbery do Couto e Silva was in the habit of arriving at Planalto Palace at 0700 hours and staying until after 2000 hours. And he also worked on Mondays and Fridays.

One year after leaving the government, he has almost stopped seeing ministers or politicians during the day. They visit him at his farm in Luziania, 30 kilometers from the federal capital, and usually on the sly. His interviews at the bank are granted to businessmen seeking advice on how to put their projects on the right path or how to overcome bureaucratic obstacles. In short, he is still the man best acquainted with the country's government administration, the ins and outs of the ministries, and the keys that open doors to the state-owned enterprises. He patiently guides and explains and even recommends that this or that person be contacted.

He charges nothing, but as a good member and supporter of the capitalist system, he justifies the salary that the bank pays him to be in the office (reportedly 2 million cruzeiros per month) by asking everyone, after he has talked to them and helped them, whether they have an account in that branch. If they do not, he encourages them to open one immediately and to have their firms deal with the City of Sao Paulo Bank in Brasilia and the various states. The figures are secret, but the branch's activity over the past year has increased twenty-fold. A good deal for everybody.

At the entrance to the bank, there are always new ice cream men and popcorn peddlers. Never before seen by their fellow vendors, they are unattentive to the business of selling popcorn and ice cream but very attentive to who enters and leaves the bank. On the ground floor in front of the tellers' windows, new faces are seen every week--people who take a seat and wait for hours on end, but they are not waiting for anything. On the sidewalk out front, an idle citizen can often be seen reading a newspaper, while parked at the curb sits an unpretentious Volkswagen with its driver and his companion listening to the radio. They are all people sent by Gen Octavio Medeiros--SNI [National Intelligence Service] agents keeping an eye on General Golbery's activities, taking notes, and almost always photographing those who visit him. A close watch is also kept on his farm in Luziania and on his trips to Rio de Janeiro, Sao Paulo, and other cities. The airliner he takes will also take agents who observe with whom he talks and where he goes. His telephones are permanently connected to listening posts at TELEBRASILIA [Brasilia Telecommunications Company].

He is the most watched man in Brazil, just as, until 6 August 1981, he was considered the most powerful. The siege of his person and the onslaughts against his privacy contain the explanation, since he is also the most feared man. At least by the intelligence community, which he established in 1964 as the first head of the SNI and which he occasionally describes as "the monster I created." Because the monster to which he gave birth and knew from within is now enveloping him.

When General Golbery do Couto e Silva voluntarily left Planalto Palace, he did not abandon politics. Before his resignation he worked for the political relaxation as its main architect. And now he is working to influence the presidential succession. A maker of presidents, it was his strategy and his machinations that produced Castello Branco in 1964, Ernesto Geisel in 1974, and Joao Figueiredo in 1979. Today he is pursuing an obstinate goal: to prevent the candidacies of Gen Octavio Medeiros and Minister Mario Andreazza and, if possible, help elect someone linked to himself. He is said to be advising Paulo Maluf, but there are those who think a big plot is underway to see that the former governor, the head of the SNI, and the minister of interior cancel each other out, leaving the way open for former Minister Costa Cavalcanti. The other candidate being talked about--Vice President Aureliano Chaves--is not likely to get Golbery's stamp of approval, but as a last resort, who knows?

The aversion that the former head of the Civilian Household feels toward General Medeiros has roots that were planted long before the clash that led to his resignation. Having made Figueiredo president--to a greater extent, in fact, than Gen Ernesto Geisel thinks--Golbery seemed the absolute master of the conduct of the fifth revolutionary government's strategy. The plan begun earlier with the repeal of AI-5 [Institutional Act No 5], the amnesty, the return to direct elections for governor, the end of the two-party system, and the implosion of the opposition--all of it was his work. Within the government, he also took care of public administration, dismissed and guided the ministers, and even expressed his opinion concerning the main outlines of foreign policy. He made ministers, but not all of them, since Figueiredo also invited part of the so-called Medici group to join his team: Delfim Netto, Mario Andreazza, and Eliseu Resende. With the departure of Mario Henrique Simonsen from the

Planning Secretariat 5 months after the new administration took office--he himself had stayed on as chief of the Civilian Household--Golbery began to be subject to pressures and to notice signs that his consulship was being challenged. The Medici group wanted control of the economy and got it. The military, even while accepting the president's determination to redemocratize the country, distrusted the political relaxation or what they considered its excesses. They united in a sort of muffled resistance to the conductor's baton and score and began to influence the theater owner more and more. General Medeiros formed the bridgehead of the destabilizing dispute, and innumerable episodes began to give the confrontation shape: Nelson Marchezan's election as speaker of the Chamber of Deputies by methods used by Golbery (which the head of the SNI labeled "worthy of the days of Joao Goulart"; the brazenness with which the physician Guilherme Romano took an active part in Rio de Janeiro politics as "ambassador" from the head of the Civilian Household, making and unmaking politicians; the licensing of two television networks, which he wanted to assign to firms with a greater journalistic tradition and his opponents did not; the revision of the National Security Law and the Law on Foreigners, which the military wanted to make tough; the possible candidacies of Leonel Brizola and Miguel Arraes for the governorships respectively of Rio de Janeiro and Pernambuco--candidacies that were feared at the time by the military class--the appointment of General Coelho Netto as chef de cabinet to the minister of army, and so on.

Everything continued to build up until the Riocentro incident. Golbery devised a surgical solution that called for immediately removing the commander of the 1st Army, Gen Gentil Marcondes, as Ernesto Geisel had done years before with the commander of the 2d Army, Gen Adnardo D'Avila Mello. Figueiredo did not agree. He then fought for the setting up of a serious IPM [Police-Military Inquiry] to discover the real facts and punish the captain involved if necessary. He did not achieve that, either. He then tried to get the president to publicly dismantle the DOI's [Departments of Domestic Operations] and the CODI's [Internal Defense Operations Centers]. Again he was turned down.

Feeling that the rug--or the base of support linking him to the president--was slipping from under him, he prepared for his withdrawal. He wrote a crushing letter to the chief whose chief he had been almost all his life. That document is still unknown to the public, and only rumors about it are known. In it he is said to have expressed concern about the success of the process of political relaxation, and in so doing he reportedly did not neglect to mention Figueiredo's responsibilities in the matter, with the result that Figueiredo practically broke off relations with him after that. Never again did they meet or even see each other, and Golbery even makes sure not to appear at ceremonies or musical and theater events when he knows that Figueiredo will be there. The situation got so tense that August that a copy of the letter was sent by special messenger to the United States, where it is still in a safe deposit box at a bank. Why did Golbery take that precautionary step--what did he think might happen?

Months ago, on being asked by a privileged interlocutor where he had erred, seeing that after all, he had chosen Figueiredo and maneuvered to make him president, the general made his confession. He said he had made an error in assessment. After all, Figueiredo had worked with him in the SNI as head of

the Central Agency and later, as head of the Military Household, had served as the bridge between Medici's people and Castello Branco's people during the episode over the choice of Ernesto Geisel. Still later, he had headed the SNI in an exemplary manner. If the fifth president was to be a military man, there could be no better choice than Figueiredo on the basis of the Yearbook, his brilliant winning of the "triple-crown race" [a pun] as top student in all his classes, and the zeal with which he carried out directives. But as president of the republic, he was to follow directions different from those cooked up by the people who made him president. An error in assessment.

There is talk today about the possibility of a rapprochement between Golbery and Figueiredo. Such things happen in politics and especially within the so-called system. It may be. But the distance between the two remains immense, and it is being increased by the approaching presidential succession. If Figueiredo leans toward Medeiros or Andreazza, nothing doing! But if he prefers other candidates, then who knows?

11798

CSO: 3001/221

ANNUAL INFLATION RATE REACHES 99.5 PERCENT IN JULY

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 6 Aug 82 p 23

[Text] The inflation rate during July was the second lowest this year at 6.1 percent (the lowest rate, in April, was 5.4 percent), according to information released yesterday by the Research Directorate of the Getulio Vargas Foundation's Brazilian Economics Institute [IBRE]. The inflation rate had reached 8 percent in June, its highest point this year. For the past 12 months, inflation has totaled 99.5 percent (110.6 percent for the period from July 1980 to July 1981). From January through July of this year, the accumulated change came to 55.9 percent.

In July, the Wholesale Price Index [IPA] rose by 5.7 percent (compared to 9.3 percent in June), bringing to 55.8 percent the accumulated rate for the first 7 months of this year and to 98.7 percent the rate for the past 12 months. The Consumer Price Index [CPI], another component used to calculate the inflation rate, was up by 7.2 percent (6.5 percent in June). The accumulated rate for the first 7 months of this year comes to 56.5 percent for the CPI, while the annualized rate has already reached three digits at 101.2 percent. The third and last component in the calculation is the Construction Cost Index, which showed a rise of 5.5 percent (3.7 percent in June) for a year-to-date total of 55.4 percent and a rate of 99.8 percent for the past 12 months.

Wholesale Prices

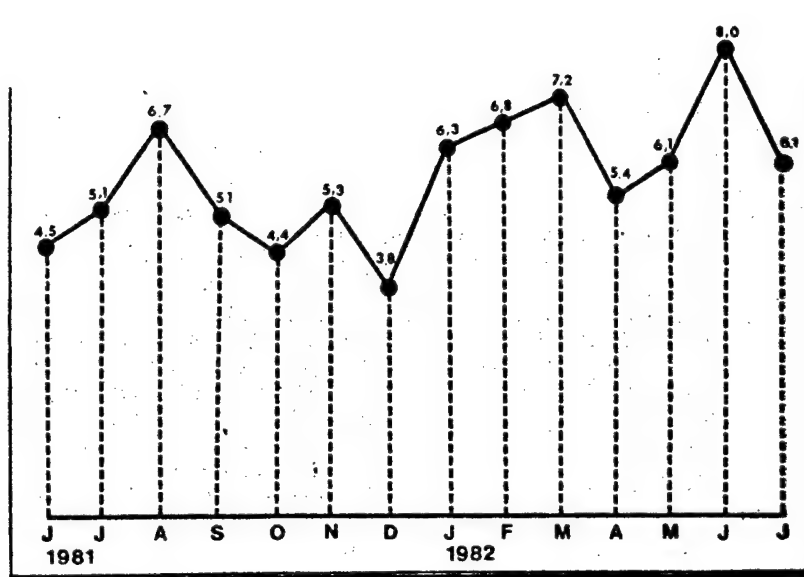
The greatest increases in the IPA concerned nondurable consumer items (6.9 percent), machinery, vehicles, and equipment (6.7 percent), building materials (6.5 percent), durable consumer items (6.4 percent), domestic commodities (6.2 percent), and food (6.1 percent). In this index, the greatest percentage changes were recorded in the following products: oats (57.6 percent), frozen beef forequarters (35.2 percent), frozen beef hindquarters (32.9 percent), sheets and tiles of asbestos cement (26.7 percent), cheese (26.4 percent), tanned hides and leather in general (26.0 percent), medium farm tractors--up to 55 horsepower (25.8 percent), and grape juice (25.3 percent).

In percentages, the items most influencing the rise in the IPA were milk (13.6 percent), frozen beef hindquarters (10.1 percent), cotton cloth (6.5 percent), frozen beef forequarters (5.5 percent), Irish potatoes (4.3 percent), artificial fabrics and yarns (4.1 percent), ordinary Portland cement (2.3 percent), and corn (2.2 percent).

Description	Percentage Change			
	July 1982 (1977 = 100)	This month	Year-to- date	Cumulative past 12 months
General Price Index:				
Domestic availability	1811,0	6,1	55,9	99,5
Overall supply	1749,8	6,1	55,1	98,4
Wholesale Price Index:				
Domestic availability	1938,8	5,7	55,8	98,7
Consumer goods	1936,4	6,8	57,0	100,7
Durables	1667,8	6,4	57,6	102,5
Domestic commodities	1586,6	6,2	56,4	101,1
Other	1986,3	7,3	62,2	107,6
Nondurables	1960,0	6,9	56,9	100,5
Food	2091,1	6,1	54,0	97,3
Other	1524,7	9,6	67,6	112,4
Production goods	1927,6	4,2	54,2	95,9
Nonfood raw materials	1560,5	3,3	51,6	89,6
Building materials	2066,8	6,5	63,5	100,1
Mach., vehicles, equip.	1857,9	6,7	50,8	107,4
Other	2472,6	2,8	53,1	95,9
Overall supply:	1836,8	5,7	54,4	97,0
Farm products	1761,3	4,1	47,9	83,9
Industrial products	1859,2	6,4	57,2	103,0
Mineral extraction	1748,8	2,5	46,5	73,1
Processing industry	1861,2	6,8	58,1	105,7
Consumer Price Index (Rio de Janeiro):				
Total	1632,6	7,2	56,5	101,2
Food	1830,6	7,6	59,5	105,4
Clothing	792,1	5,8	46,4	79,9
Housing	1040,4	5,4	50,5	90,0
Household items	1370,2	6,3	53,1	98,6
Health and hygiene	1737,4	5,4	55,7	112,9
Personal services	1970,7	6,7	63,5	108,5
Public services	1943,8	10,1	46,3	88,9
Construction Cost Index (Rio de Janeiro):				
Total	1579,2	5,5	55,4	99,8
Manpower	1464,7	0,2	48,4	104,7
Building materials	1680,8	10,1	61,4	96,1

Source: Center for Economic Statistics, IBRE-Getulio Vargas Foundation

Inflationary Development of Monthly Rates
Accumulated 12-Month Rate: 99.5 Percent



Consumer Prices

As far as the CPI is concerned, the greatest increases noted by the IBRE were as follows: public services (10.1 percent), food (7.6 percent), personal services (6.7 percent), household items (6.3 percent), and clothing (5.8 percent). Housing and health and hygiene care both rose by 5.4 percent.

The greatest percentage changes were in chayote (87.8 percent), ribs (31.3 percent), shoulder (30.7 percent), brisket (29.4 percent), hind shanks (28.6 percent), "lagarto plano" [a cut of beef] (26.9 percent), top round (26.9 percent), carrots (26.6 percent), duckling (26.5 percent), beef filet (26.5 percent), beef rump (25.9 percent), top loin (25.3 percent), "lagarto redondo" [a cut of beef] (25.1 percent), and cabbage (25.1 percent). In percentages, the items most influencing the rise were fresh milk (5.8 percent), top round (4.5 percent), beef rump (3.2 percent), duckling (3.1 percent), cheap chicken (2.7 percent), chayote (2.4 percent), powdered coffee (2.1 percent), beef filet (1.3 percent), and dried meat (1.2 percent).

11798

CSO: 3001/221

CHURCH MAY BREAK WITH CEB'S IF THEY SUPPORT ONE PARTY

Sao Paulo FOLHA DE SAO PAULO in Portuguese 25 Jul 82 p 8

[Article by Carlos de Oliveira: "Church Bases Will Not Support Parties"]

[Text] The Base Ecclesiastic Communities [CEB's] will not vote in a bloc for a single party in the November elections. To think that those Church bodies are formed and rallied around one electoral objective to the point that they will decide the elections in favor of a certain political party is to run the risk of making a simplistic judgement.

Actually, 22 years after the appearance of the first communities created by the then archbishop of Natal, Rio Grande do Norte, Dom Eurgenio Sales (now archbishop of Rio de Janeiro), the CEB's are still a heterogenous movement which enfolds the most varied political thinking and preferences.

For their members, the change in the existing socioeconomic and political system, considered "sinful" by the Church, at least by a good part of its representatives, will not take place on 15 November after the victory of this or that party. It will, rather, take place throughout a slow process of awakening the awareness of the people which will be capable of "making the people the agent of their own history."

From the electoral point of view, those members admit the strength of the CEB's is an imponderable figure. They say, however, that the pressure capability of those groups cannot be underestimated. While having their support may not mean hegemony at the polls, having them against you will certainly be an enormous weight on your back. Students of the CEB's believe that the power to make demands of the movement tends to grow, no longer in an isolated way as had been happening up to now, but in an ever increasingly organized manner with even the presentation of proposals and plans of action to government leaders regardless of their party affiliations.

The unity of the rank and file around the real needs of the people, in addition to the methodical questioning of whoever is in power, appears to be the political plan chosen by the CEB's, particularly because the idea of transforming the movement into a party nucleus will never be accepted by the Church nor by the members as a whole.

It is even probable that some CEB will extrapolate and go on to openly support a party. However, if that were to happen, to judge by all the statements already made by the high Catholic hierarchy in Brazil, the Church will break its ties with an organization which by the description of its own members should be "the space where we must live, intensify and celebrate our faith; where we must compare our life and our practice in the light of the word of God. In the CEB we must seek the strength to inspire us in the struggle we wage in the neighborhood, in the rural area, in the world of work and in the political party." (An excerpt of the final document of the Fourth National Meeting of the CEB's held in April 1981 in Itaici).

No Guarantee of Victory

That view of the CEB's is endorsed by politicians of the PMDB [Brazilian Democratic Party Movement] and the PT [Workers Party], two parties which undoubtedly have the sympathies of the members of the CEB's individually. Questioned on the electoral influence of the CEB's on 15 November, PMDB and PT candidates with extensive links with the Church were unanimous in saying that their ties with the CEB's do not guarantee them victories in the elections.

Using practically identical arguments, those candidates say the CEB's can in no way be compared to a monolithic bloc or "an ununiformed army, directed by the whims of the will of some great leader." According to analyses made by those candidates, it is concluded that the CEB's are united around two basic points: Their spiritual union with the Church and the need to question society in the search for a new social-economic-political plan. Other than that, it is unlikely that a third point of unanimity will be found among the CEB's, particularly in the area of party politics.

A PT candidate for state deputy, who has been in the communities and in the Workers' Pastoral, pointed out that despite "the similarity existing between the program of my party and the political plans of the CEB's," there are no elements which indicate a strong preference by the communities for the PT candidates. "I, for example, may be known within my community but unknown in the others," he said.

The statement by the candidate appears simple at first but it reveals some important information. It showed that the degree of linkage among the various communities in terms of party politics is still minor. Moreover, according to the candidate, the Church bases still distrust politicians greatly, even those affiliated with the PT, a party which according to some documents prepared by commissions of the Church itself, would make the opposition more consistent in the country.

Expectation and Observation

That is why the position of the CEB's toward the parties is still one of expectation and observation, according to statements by candidates and members of the Church hierarchy itself. At this time, at least in the capital, the communities are promoting meetings with candidates from all parties to question them in depth, to learn their intentions, their proposals, party platforms and their commitments to popular causes. It is on the basis of that practice that the CEB's seek to choose their candidates and parties.

However, that practice cannot be taken as the general rule either. Not all the CEB's are in the same stage of development and political awareness. On this point it is necessary to go by stages. It is necessary to consider that the CEB's are born of an ideal of faith for the discussion of problems of a group on the basis of Gospel readings. In their meetings their members use the method of "see, judge and act," which means that the problems of each one, of a small group or the entire community are exposed (see), compared with similar situations described by the Scriptures (judge), and proposals for solutions are presented and voted upon in assemblies (act).

It happens that in the universe of the CEB's--not even the Church knows how many there are although it speaks of approximately 100,000--many are in an embryonic stage, which means they are discussing essentially religious subjects. Other, older communities are already discussing specific questions such as the need for lighting in the streets, child nurseries, housing, and so forth. There are those which have already analyzed those local questions, organizes ways of attacking the problem, and will now go on to a more specific political discussion.

Another group, which has already discussed politics along its greater lines--"good political action and everything we do for organizing ourselves in justice and for creating a new relationship between persons and groups"--may now be questioning the exercise of politics within those parties.

That group is further diluted if it is noted that a large number of the CEB's are located in the rural area and that the interests of the men of the fields are not always the same as those of the man who lives in the urban centers.

This means that not all the communities are in the same stage and because of that, according to the Church and the parties which are the choice of their members, "to analyze them as a bloc with the idea that they will decide or influence the elections in favor of the PT or the PMDB, is to have a simplistic, generalized and even offensive view of the spontaneity of the organization of those groups which do not receive completed prescriptions to be put into action."

Political Alternatives Studied

Although they do not assume a party position, the CEB's are discussing the actions and the role of the political parties. In Sao Paulo, for example, the CEB's--according to information from the Church itself--use the work "Faith and Politics, People of God and Political Participation," a great deal. It was prepared by the Archdiocese Committee of the Pastoral on Human Rights and the Dispossessed. In a mixture of texts and slides (one of them was even changed because it inspired a certain prominence of the PT), the members of the CEB's pose themselves some serious questions:

"Could it be that political parties may serve as a bridge so that the people can continue on their march toward the construction and organization of a new type of power? Could it be that political parties can serve as an instrument so that the people may learn to exercise a democratic control over the state?

How can a repetition of the past experiences of manipulation of the people by the parties and politicians be prevented? What position should be taken toward the political-party proposals placed before us?"

In response to those questions, the work states that "the people no longer want to remain at the bottom holding the ramp for those who are climbing to power." Still comparing those parties to bridges, it adds: "Even using more than one bridge (a hypothesis which according to the politicians would show the opening of the CEB's to more than one party), the important thing is for the people not to be divided. It is necessary to maintain the unity of the popular movement." This means the unity of the rank and file mentioned at the beginning, tied to the systematic pressure on government leaders in the sense that popular demands be always heeded.

Finally, while the CEB's have not yet chose which bridges to adopt, they have already defined the bridges they should not use. The work by the Human Rights Commission makes it clear that the government party, "the access routes to the government party" and the bridges "installed with the help of the government itself," are not good. "They are bridges that do not lead to the other side."

8908

CSO: 3001/222

SOVIET ENGINEERS TO WORK IN COKE AND ALCOHOL PROJECT

Brasilia CORREIO BRAZILIENSE in Portuguese 15 Aug 82 p 19

[Text] Five engineers from the Soviet enterprise LICENINTORG will arrive in Brazil during the first half of September to work on the COALBRA [Coke and Alcohol from Wood Corporation] Project of the Ministry of Agriculture, located in the Minas Gerais city of Uberlandia, the first Brazilian plant for the production of methanol and other energy producing byproducts from wood.

The coming of those Soviet technicians, who will remain in the country 3 months in this first phase, are part of a contract for service support valued at \$5.5 million signed 29 April last year and stipulating an exchange of Brazilian and Soviet specialists.

The members of the Soviet team are specialists in wood and acid hydrolisis technology, a process by which COALBRA is going to extract alcohol, coal, gas, fufural, protein for animal feed and make coke out of lignite.

Nelly Viktorovna Limanova, an industrial engineer, is chief of the project of the Wood Hydrolisis Institute in Leningrad. Nina Pavlovna Lapenok, an industrial engineer, works as senior engineer in the same institute. Vadim Antoljevich Voinov, a mechanical engineer, works in the Leningrad Hydrolisis Institute as chief of a department. The specialist-chief of the Department of Technology, Viktor Vasiljevitch Vinjukov, and industrial engineer Segej Viktorovitch Antipin, make up the team. [All names as published]

Joint Commission

Last month three COALBRA engineers (Renzo Dino Rossa, technical director; Antonio Marsiglia Netto, coordinator for the installation of the plant in Uberlandia, and the president, Sergio Motta) participated in the Eighth Meeting of the Joint Brazil-Soviet Union Commission held in Brasilia as delegates. During that meeting emphasis was placed on the effort undertaken by COALBRA "in the identification of new fields of economic-commerical cooperation between the two countries." The chief of the Department for Economic Cooperation with the Countries of Africa and Latin America (a USSR state committee for economic cooperation), Romuald Tomberg, pointed out that agreements signed by COALBRA in Moscow in 1981 were examples of industrial and technological cooperation with the maintenance of the rights and interests of each country."

Hydrolizers

In addition to the agreement with LICENSINTORG, COALBRA negotiations with the Soviets included the signing of another contract with the NEFTCHIMPROMEXPORT enterprise (linked to the USSR State Committee for Foreign Economic Relations), which stipulates a supply of Soviet equipment with commercial credits for \$6.5 million.

Next September COALBRA technicians will return to the Soviet Union to inspect the six hydrolizer assemblies which are being built, and whose delivery is scheduled for December at the port of Leningrad. These units are made of a special type of titanium--AT-3--and are the only imported components for the Uberlandia plant. "Each hydrolizer has a capacity of 50 cubic meters and is made of a special titanium alloy. As has already been proved, it has the highest degree of resistance to heat and corrosion of all structural materials," said engineer Sergio Viera da Motta, pointing out that "it is a detail of great importance in the project because the COALBRA process adopted sulphuric acid for the hydrolisis phase and only the resistance of titanium can withstand the corrosion."

8908

CSO: 3001/225

INPE PLANS TO LAUNCH FOUR SATELLITES BY 1990

Sao Paulo O ESTADO DE SAO PAULO in Portuguese 4 Aug 82 p 4

[Text] Brazil is preparing by the end of this decade to place four artificial satellites in orbit at altitudes of between 600 and 880 kilometers; they will have a minimum useful life of 2 years. That is what the scientific director of the Space Research Institute (INPE), Nelson de Jesus Parada, announced yesterday during a ceremony at the INPE headquarters in Sao Jose dos Campos, commemorating the 21st anniversary of the establishment of the institute. The first two Brazilian satellites will be designed to supply meteorological, hydrological and climatological data and will be linked to an information collection network in ground stations that are being developed by the INPE. The next two will be more sophisticated models and will be equipped with cameras for surveying natural resources.

According to Nelson Parada, in collaboration with national industries, the INPE is developing a central station for tracking, telemetry, command, control and processing of the data that will be supplied by the Brazilian satellites. The device will be launched by rockets developed by the arms industry under the supervision of the military agency, the Institute for Space Activities.

During yesterday's ceremony, Nelson Parada reviewed the achievements of the INPE. At the present time, the institute is operating two installations in the national and international areas of activity: the Radioastronomy Center of Itapetininga in Atibaia, and the Stratospheric Balloon Launching Center in Cachoeira Paulista. It also participates in the activities of the Rocket Launching Base in Barreira do Inferno--a military installation in Rio Grande do Norte--developing the useful load of the rockets that are launched by the Institute for Space Activities (IAE).

In liaison with NASA, of the United States, the INPE uses the information from the Landsat satellite for meteorological and climatic study purposes. At the Cuiaba receiving site, the data sent by Landsat are collected and serve more than 1,000 national institutions interested in monitoring agronomic, forestal, hydrographic and oceanographic resources, in addition to information on pollution, disasters and meteorology. According to him, this places Brazil in second place in the world among the countries that utilize remote sensing images.

There Is No Delay

The president of the National Scientific and Technological Development Council (CNPq). Lynaldo Cavalcanti Albuquerque, who was present at the Sao Jose dos Campos ceremony, denied that there was any delay in the Brazilian space program, adding that this year alone, \$2.1 million will be spent on the design and construction of satellites by the INPE. According to Albuquerque, this year the institute will employ another 300 technicians engaged exclusively in the space program.

Lynaldo Cavalcanti defined the Complete Space Mission as one of the most important technological programs under development in the country and said that in the future it will generate technology that will be transferred to national industry with economic and social benefits. He explained that the country will spend \$1 billion on the Complete Space Program during the next 14 years. Of this total, the INPE will account for \$260 million; the IAE, \$720 million and the remaining \$20 million will be under the responsibility of the CNPq.

8711

CSO: 3001/215

BRIEFS

SUBMACHINEGUN PRODUCTION FOR EXPORT--Jundiai--The board of directors of Vigorelli do Brasil, a company that manufactures sewing machines and machine-tools, announced that it will soon begin the production of weapons, especially "Uru" 9-millimeter submachineguns, which will be exported. According to engineer Henrique Victorio Franco, one of the directors of the industry, Vigorelli will produce at least 50,000 units by the end of the year. He explained that the company purchased manufacturing rights to the Luger submachinegun, with clips of 36 bullets, and it can be produced with a low firing rate (550 shots per minute) or high rate (850), depending on the request of the interested parties. Henrique Franco said that the weapon was designed by "Mekanika," a military materiel research and development company, and added that Vigorelli has already received the authorization of the Ministry of the Army to begin mass production of the weapon. The vital parts of the "Uru" submachinegun, such as the bolt, trigger and handle, will be strictly controlled and kept in safes, as established by the strict security system set up by Vigorelli. The company will take 2 hours to manufacture a submachinegun, "which represents half the time taken to build a sewing machine. And it has several advantages," emphasized Henrique Franco, "including a lower cost and higher selling price, which will be "on demand" and in dollars. [Sao Paulo FOLHA DE SAO Paulo in Portuguese 23 Jul 82 p 22] 8711

SOYBEAN MEAL EXPORTS TO POLAND--Rio--For the first time since restaggering its debt with the Central Bank at the end of last year, Poland has again purchased grains in Brazil. This week a sale of 150,000 tons of soybean meal was made to Rolimpex (Polish state agency charged with importing foodstuffs), an amount which will be divided among three soybean crushing industries--Kasper, Farol and Bianchini--and a trading company, the PETROBRAS International Trade Corporation (INTERBRAS). The transaction, which is valued at about \$29 million, was confirmed by INTERBRAS, which will supply 50,000 tons. For the first time also, Brazil is selling soybean meal to Poland without the protection of the currency agreement signed between the two countries and which guaranteed the endorsement of the Central Bank of Brazil. The transaction, made in free dollars, will be on the account and at risk of the four companies supplying the product but, according to INTERBRAS, it is almost impossible for noncompliance on the part of Poland to occur inasmuch as the sale was made "on demand," guaranteed by a letter of credit, and payment will be made at the time of shipment. INTERBRAS did not want to reveal the selling price, reporting only that it was between \$190 and \$200 a ton and was already fixed in the contract and will remain the same regardless of the market position at the time of shipment,

which will begin in August. The sale transaction was handled by the Polish Consulate in Porto Alegre through a system similar to bidding, whereby selection of the seller is made on the basis of the best bid. [Rio de Janeiro GAZETA MERCANTIL in Portuguese 30 Jul 82 p 14] 8711

ANTARCTIC BASE BY 1985--Porto Alegre--Brazil will install its base in the Antarctic between 1984 and 1985 "or perhaps sooner," declared the secretary of the Interministerial Commission on Sea Resources and coordinator of the Pro-Antarctic Program, Rear Admiral Mucio Piragibe Ribeiro de Bakker. The rear admiral said that the first Brazilian expedition to the Antarctic will leave in the first half of December. The expedition, which is expected to last 2 months, will be comprised of researchers and a representative of the Federation of Industries of the state of Sao Paulo to determine in what way national industry can collaborate with the Pro-Antarctic Program. The rear admiral believes that the program plan will be ready in October, when it will be presented to the interministerial commission attached to the executive branch. He stressed also that Brazil's venture into the Antarctic is being prepared "in definitive terms. We will be going to the Antarctic this year taking our personnel, and in 1983 we already want to be doing scientific work." [Rio de Janeiro JORNAL DO BRASIL in Portuguese 31 Jul 82 p 6] 8711

CHALOUB ON CIVILIAN PRESIDENT--Porto Alegre--Lt Gen Alzir Benjamin Chaloub, commandant of the War College (ESG), said yesterday during a visit to the Porto Alegre Trade Association that "the next president of the republic will be elected democratically." He added that the democratic choice "may be made directly or indirectly." He also commented that the future president "will not necessarily be a military man," thus conceding the possibility that a civilian will be chosen to succeed President Figueiredo. General Chaloub said he was "optimistic" about the future of the Brazilian economy, and he noted that the country has the resources for improving its situation. He upheld the need for a planning mentality to be developed in the country, since "everything is done on the basis of intuition." The War College commandant observed: "Planning is a democratic thing provided that it serves the government organizations and also serves as an indicator for the private sector." [Text] [Brasilia CORREIO BRAZILIENSE in Portuguese 10 Aug 82 p 4] 11798

CSO: 3001/221

FELAP HEAD DISCUSSES MEDIA IN EL SALVADOR, GUATEMALA

Havana UPEC in Spanish Apr 82 pp 26-27

[Article by Pedro Garcia]

[Text] There is no more dangerous region in which to work as a reporter at present than Guatemala and El Salvador, Eleazar Diaz Rangel, president of the Latin American Journalists Federation, stated.

He added that it was precisely for this reason that the basic task of FELAP in recent years has been aimed at developing broad solidarity for the struggle of these peoples.

He mentioned in this regard the various rallies organized in many Latin American countries and the recent protest strike called to protest the murder of Mexican and Salvadoran journalists by the military junta in El Salvador.

Diaz Rangel said that "we are alert to any detention of journalists, as well as the kidnapping of some colleagues, in order to quickly organize campaigns and bring charges, which in some cases have prevented murders."

He said that the FELAP board of directors held here, approved a special resolution on the use of disinformation by international news agencies concerning the actual situation in El Salvador and Guatemala.

A proposal was also approved to disseminate the schedules and frequencies of the new Farabundo Marti radio station.

The FELAP president also stated that several member organizations, among them the Journalists' Union of Panama, the National College of Journalists of Venezuela, and the Journalist Union of Ecuador, agreed to invite a delegation of Salvadoran colleagues to pay a visit.

These visits, the invitations for which will actually be included with other invitations, will be used to air charges about what is really going on in El Salvador and will commence in Venezuela on 7 March, he said.

Concerning the latest threats by the government of Ronald Reagan against El Salvador, Nicaragua, Cuba and Grenada, Diaz Rangel pointed out that the final

statement of the board of directors makes such accusations and he exhorted all journalists and friends to use all available media and resources to counter them.

He said that the warlike policies of the Reagan government and the fascist dictators of the hemisphere are included in the accusations contained in the preliminary agenda of the coming Latin American Journalists Congress, to be held in Panama from 24 to 27 July, as is the struggle for the expansion of their influence in Central America and the Caribbean.

He emphasized that the congress will be a rallying point for the struggle of nations and that starting now each member organization will prepare presentations designed to show what the specific situation is in each country there.

Diaz Rangel remarked that Panama was chosen as the site of the event because it is in the middle of the area of greatest political tensions, that is, Central America, and because it is a country that is burdened with the presence of U.S. troops.

This signifies, he said, that the examination of the problems of the region will have a stronger and broader impact and increase the sensitivity of the entire hemisphere toward the situation of Central America and the Caribbean in particular.

9015

CSO: 3010/2057

NEW U.S. SECRETARY OF STATE SHULTZ VIEWED

Havana JUVENTUD REBELDE in Spanish 16 Jul 82 p 4

[Commentary by Miguel Enrique]

[Text] From his introduction to the international community, one can judge the appearance of the American Secretary of State-designate, George Shultz, before the Senate foreign Relations committee.

There he presented what is obviously a full-length picture not only of himself, but of the reactionary and warlike interests that he represents.

Mr Shultz ratified the ill-fated foreign policy towards the Soviet Union, the Middle East and Central America.

In no way do his points of view differ from those expounded by Alexander Haig before the State Department, which once again confirms the continuity of American foreign policy, characterized by its aggressiveness, interference, blackmail and threats.

Mr Shultz said without deception that Washington in every way will continue to negotiate from a position of strength "because in the concept lies the strength itself of American policy."

He upheld the embargo on sales of U.S. technical equipment for the construction of the Siberian oil pipeline, prohibiting it, which very much hurts its allies in Western Europe; he affirmed that the United States is opposed to any freezing of nuclear arms and he warned that the dialogue with the USSR would be predicated on its international "behavior."

Mr Shultz also accused Cuba of "censurable" conduct and showed that there would be no change in American policy regarding our country "until there is a change in Cuban conduct," because "Cuba causes problems throughout the planet."

As will be seen, Mr Shultz is willing to "punish" the USSR and Cuba "if they do not behave well."

What is "behaving well" in this gentleman's jargon"

The White House, the Department of State, the Defense Department and all state agencies and American spokesmen take it upon themselves to remember it day by day:

To withdraw solidarity away from oppressed nations, to spread American military hegemony, to accept the status of imperialist exploitation, to renounce the principle of sovereignty and other capitulations of that sort.

That is precisely the hope of Mr Shultz and his sponsors regarding the Sandinist Revolution: "Any improvement in relations with Nicaragua will depend on respect for the interests of our friends in that country."

Who are these friends?

The Somozists and other counterrevolutionaries who, with financial and military aid from the United States, try to bring that Central American nation to the time when it was a Yankee protectorate.

For Mr Shultz, stability in Central America can only be achieved "confronting the guerrillas in an effective way" and thereby he opposed any dialogue which makes a peaceful political solution viable.

"I am not going to urge the Salvadoran Government to negotiate. It would establish a bad precedent," said the brand-new Secretary of State, at the same time he was explaining his support for the Honduran military intervention in El Salvador.

"To me it seems logical that there is coordinated reaction to the problem when the activities of the guerrillas are also coordinated," Mr Shultz judged.

That is the logic of the new chief of American diplomacy, and...it is logical that an agent of imperialism think that way. It cannot be any other way.

9908

CSO: 3010/2141

REAGAN'S FOREIGN POLICY SEEN AS 'BELLICOSE'

Havana TRIBUNA DE LA HABANA in Spanish 21 Jul 82 p 4

[Article by Javier Rodriguez in the column: "With the Magnifying Glass"]

[Text] If anyone were to ask what is the central interest for the present North American administration regarding its foreign policy, one would have to answer without hesitation: the use of force.

Since he became the chief tenant in the White House, Ronald Reagan has applied the warmongering philosophy to his international relations, basing himself on the absurd aspiration that this would lead to regaining the golden days of the empire, when no one questioned the orders and wishes sent out from Washington.

Among the preferred instruments of the present U.S. Government to apply this dangerous decision is the strengthening of the secret operations of the CIA intended to overthrow governments, to murder revolutionary leaders, to internally destabilize nations not obedient to its outlines and even to prepare the direct intervention of North American military forces.

Cuba has had abundant proof of these subversive involvements and at the present time Nicaragua and El Salvador are experiencing these aggressive maneuvers.

But the most important thing in all of this is that the North American executive believes that he still must promote the interfering escalation that these clandestine missions against other nations represent.

Right now the Pentagon has started the strengthening of what it calls "non-conventional" military forces intended for actions of sabotage and terrorism in the territory of other nations, which are made up of units from the three services.

Substantial portions of a "secret budget" were allocated to improve the material conditions of these units, to finance the extension of their training and to support these operations.

What are the principal tasks now assigned to these special forces, according to a document from the Department of Defense, disclosed by the North American press?

It is nothing less than "stopping Soviet expansion" and "projecting the power of the United States where the use of conventional forces would be premature, inappropriate and unfeasible."

These are arguments that are very well known by all the nations of the world and behind which on numerous occasions have been hidden the aggressions launched by imperialism in various corners of the earth.

The famous document also includes a justification that has served and still serves to deceive the gullible in the event of direct interference by military means: "to help the friends and allies of the United States."

As if this were not enough, President Reagan has also just announced that hundreds of millions of dollars will be allocated in the next few years to modernizing and improving the radio transmitters of the United States that transmit anticommunist propaganda with the aim of penetrating the radio frequencies of the socialist countries.

This means that, with out the least shame, they proclaim their intention to continue intervening by force in the domestic matters of other nations. This is the eternal logic of imperialism.

9545

CSO: 3010/2143

REAGAN'S CARIBBEAN BASIN AID PLAN CRITICIZED

Havana VERDE OLIVO in Spanish 22 Jul 82 pp 14-15

[Commentary by Elpidio Valdivia: "Reagan's Caribbean Basin Plan: 90 Cents of Aid Per Capita"]

[Text] On 24 February, almost 5 months ago, Ronald Reagan announced pompously his Caribbean Basin plan in a speech at the OAS which GRANMA correctly termed "the rhetoric of impotence."

The "initiative" was not new on that occasion. Several months after the current Republican administration won the presidency, it waved that plan like a banner, attempting to convert it into the magical solution to the critical problems of the region. Actually, Reagan's famous plan practically has been rolling around for a year. It is intended to grant Central American and Caribbean countries an additional aid of \$350 million this year, to be distributed among 20 countries of the region.

Such a long time to offer such stingy aid would seem to be another contemptuous action by the powerful northern neighbor and outrageous cynicism about the real poverty in which the peoples of the region live. Not long ago, the WASHINGTON POST, in an editorial titled "The Big Caribbean Fiasco," said that if the government had devoted to that plan "even a fraction of the zeal" it showed to obtain congressional approval of the sale of AWACS radar planes to Saudi Arabia, the plan probably would have been approved by now.

It also contrasts with the speedy approval of a request by the U.S. President for a grant of \$21 million to improve three military airfields in Honduras, which will serve Yankee aims in the area.

Both cases are among the many examples that show the true concern of the White House--military aspects and not assistance without preconditions for development of these countries.

A few days ago, Western news agencies reported Ronald Reagan's sudden and unusual interest in getting Congress to quickly approve his aid plan for the Central American and Caribbean region. Therefore, the agencies said, the President will undertake a personal "offensive" to get the approval.

To this end, the President summoned to his office--which he usually does when he wants legislators to approve his "initiative"--the principal Senate and House leaders to persuade them, as he can do, of the need to implement the plan soon.

Why the sudden U.S. President's interest when so many months have passed without his having shown the persistence he now shows to get the maximum legislative organ to approve his economic aid initiative?

The answer lies on the same region to which he wants to give such ridiculous "additional" aid. It is a region in increasingly more turmoil as a result of the acute internal situation being experienced by most of the countries to which this aid is intended. Some of these countries are on the brink of economic collapse, essentially caused by the policy of exploitation they are subjected to by the U.S. Government along with transnational corporations.

Reagan is concerned that social exploitation may become uncontrollable and that the progress of the revolutionary struggle in some nations, like El Salvador, may provoke the fall of shaky pro-U.S. regimes in the area. This is similar to what happened in Nicaragua, now truly independent after the guerrillas and the people deposed the tyrant Somoza 3 years ago.

The Yankee Congress also shows its concern, but from another angle. Many legislators, particularly Democrats, fear that Ronald Reagan may use the plan as a "screen" to cover up more military assistance to the genocidal regime in El Salvador, now headed by the D'Aubuisson-Magana pair.

A clear image of what in fact is involved in the exaggerated Caribbean Basin Plan is shown in a study presented to the Democratic Party Senatorial Political Committee. It describes the plan as an "identifiable mixture of the basic precepts of the Reagan administration: anticommunism, bilateralism, private investment and free market."

It is said outrageously that the Reagan "initiative" is aimed at "countering Cuban-Soviet influence" in the region.

If it is a case of influence or, better said, of "good neighbor" policy, the only one that has persisted for more than a century and intended to be perpetuated in the continent is that of the United States, which now does not look so good after revealing itself during the recent Anglo-Argentine conflict over the Malvinas by openly siding with Great Britain against Argentina.

But going back to the concerns of Congress, last week the House of Representatives Foreign Relations Committee approved Reagan's aid plan--the initial step to final Senate approval--but amendments also were introduced. The most significant one is a commitment to limit the aid that can be given by the government to any of the 20 countries involved in the plan to a maximum of \$80 million.

This amendment was a direct curb on El Salvador since the Republican government intended to assign it \$128 million (36 percent) of the plan's \$350 million total.

The primary regulating element for implementation of the plan, also introduced by that House committee, will be the bilateral agreement that each country must establish with Washington. The countries have to provide guarantees for U.S. investments and adopt measures to "improve their economies" by applying the recommendations proposed by the International Monetary Fund. As a matter of fact, this control gives the United States time to examine each case and, naturally, to exclude governments it considers unfriendly, such as Nicaragua, Grenada and Cuba.

The president-elect of the Dominican Republic, Salvador Jorge Blanco, recently ended a visit to the U.S. capital where he called for implementation of the aid plan proposed by Reagan. However, he also gave his opinions about the plan.

Jorge Blanco said no aid program can succeed unless the deterioration of trade terms between rich and poor countries is stopped.

Although he praised the Yankee President's initiative, he made it clear that "surprisingly, the initiative has coincided with more U.S. protectionist actions against sugar," the principal export commodity of the Dominican Republic.

This is one of the criticisms to the plan. There have been others; and the plan still is not in the implementation process. When that time comes, we will be hearing even more voices of disgust and disappointment over such a miserable economic aid program.

What can it mean in the way of relief and hope for Costa Rica--a country which, according to what U.S. Under Secretary of State Thomas Enders said a while back, is bankrupt and owes \$2.7 billion--if it gets it assigned additional 1982 aid quota of \$70 million, which in fact is the second highest after El Salvador?

The exploited Costa Rican people undoubtedly will not get an iota from that small bread crumb that the United States will offer them.

In comparison, Nicaragua, which is among the "unfriendly" governments that will not get Reagan's generous aid, not too long ago obtained from the Soviet Union an important \$100-million loan for its economic development. This does not include Soviet financing for the construction of a hydroelectric plant valued at several hundred million dollars.

The first of a number of editorials of the newspaper GRANMA started on 3 March and designed to unmask Reagan's OAS speech where he announced the plan, said the following:

"There is neither generosity nor philanthropy in the Yankee plan. There is not even an attempt to make secondary concessions or to seek remedies for the dramatic situation facing the countries of the region as a result of the imperialist exploitation and the deep economic crisis of the capitalist world," stressed GRANMA.

Exposing the plan's true purpose, GRANMA added that "this plan is part of the aggressive and interventionist scheme which the Yankee administration wants to carry out to overthrow progressive governments, to stop the advance of the emancipation movement, and to reinforce its economic domination so as to have Central America and the Caribbean increasingly under its thumb."

Two U.S. experts who attended an annual Caribbean studies conference in Havana asserted in a paper they presented at the conference that the plan represents a total aid of 90 cents per capita to the 20 countries included in the plan. In many of these countries, a Coca Cola costs a dollar.

Someday the peoples of the region, truly free from the imperial tutelage of the North, will have buried forever this despicable affront by incumbent U.S. President Ronald Reagan.

9925

CSO: 3010/2134

NICARAGUA'S REVOLUTIONARY PROGRESS HAILED

Havana JUVENTUD REBELDE in Spanish 15 Jul 82 p3

[Article by Juan Martin La Rotta]

[Text] The Nicaraguan people commemorate the third anniversary of the triumph of the Sandinist Revolution, threatened as never before by the greatest imperialist power in the world that tries to revive gunboat diplomacy with the sinister objective of crushing the worthy example which the homeland of General Augusto Cesar Sandino offers to the world.

Those heroic people have had a long experience with the punitive actions undertaken by imperialist Yankees against their soil and they have learned to defend their sovereignty and integrity with firmness and decision in not a few victorious battles.

If the White House, since the triumph of the Revolution, has developed tremendous destabilizing efforts against Nicaraguan progress, during recent months maneuvers and threats have taken on new dimensions, including terrorism by the CIA, plans by the Pentagon, blackmail diplomacy and coercion.

The U.S. National Security Council approved handing over \$19 million for financing, specifically, military, political and economic actions against Nicaragua.

Retired General Vernon Walters, President Reagan's roving ambassador, was in charge of carrying out preparations in the Central American and Caribbean area in order to attempt to justify said actions and, at the same time, requesting from the governments, if not support, at least an apparent neutrality.

Just days before the conflict in the Malvinas began, an unleashing of a series of terrorist acts, preceded by cutting off all official credits, gave rise to speculation that a mercenary invasion was about to be carried out by the Reagan administration.

Movements by bands of former Somozist guards were taking place and intensifying, as much from Honduran territory as from Costa Rica, the rapid preparation of naval bases in the Pacific and the Atlantic, constant air space violations by spy planes, as well as the conditioning of three Honduran airports as strategic objectives and the presence of Yankee warships in the area. They were unmistakable acts of preparation for invasion.

If any doubt remained as to the peril, a statement by the chairman of the Inter-American Affairs committee in the American congress confirmed it, saying: "If I were a Nicaraguan, I'd be looking for some place to take shelter from the bombarding."

Faced with the imminent outbreak of armed aggression by the United States, in view of these facts, the Sandinist leadership responded with maturity and calmness: The Nicaraguan people were firmly committed to defending the gains of the revolution.

Nicaragua has reiterated time and again its overt willingness to sustain stable and friendly relations with the American government and to establish negotiations on the basis of mutual respect. But, when speaking of negotiations, the representatives of Yankee imperialism try to make only their conditions worthwhile under the most humiliating proposals.

Likewise, during these 3 years, the Yankee propaganda machine has tried to silence and to distort the achievements of the Nicaraguan revolutionary process in the fields of education, health, economics and defense.

The efforts shown by the revolution have been many in consolidating the system of government, which includes political pluralism and a varied economy, objectives which have the backing of an immense majority of the people. Nevertheless, the Regan administration also does everything possible to slow down that program. The latest provocative act from Washington directed to that end was the granting of a million dollar figure to Nicaraguan private enterprise.

On the other side of the coin, the openly aggressive attitude of the Reagan government makes the situation in the Central American area each day more serious, which could spill over into a regionalization of the conflict, such as Cdr Daniel Ortega Saavedra expressed recently before leaving for Western Europe.

According to observers, Washington gave a green light for the beginning of larger plans from the Pentagon and the CIA in Central America, directed primarily against Sandinist progress and the struggles for liberation in El Salvador and Guatemala.

Actions by counterrevolutionary bands which operate from Honduran territory against Nicaraguan people increased immediately and was followed by penetration into El Salvador by the Honduran Army, cynically admitted to by the military brass.

These steps had as a prelude the revitalization of the so-called Central American Democratic Community, including the Guatemalan regime. The ministers of foreign affairs of El Salvador, Honduras, Guatemala and Costa Rica, following Yankee plans, accused Nicaragua of jeopardizing peace in the area.

Likewise, the United States is speeding up the military buildup in the Guatemalan, Honduran and Salvadoran regimes, arguing, according to Thomas Enders, the Under Secretary of State, that it is necessary to help those countries "to defend themselves" in view of the growing "challenge" from insurgency.

As we can see, the whole plan is being put into execution, whose main objective is to put the Sandinist Revolution in ruins.

Faced with that situation, and the third anniversary of the triumph of the people, the Nicaraguan people reiterate their firm and unyielding decision to defend their homeland and their revolution to the very end. These are the same people who took part in the decisive battles which put an end to the opprobious Somoza dynasty.

9908

CSO: 3010/2141

LAZARO VAZQUEZ ADDRESSES FAR GRADUATION CEREMONY

Havana GRANMA in Spanish 19 Jul 82 p 4

[Speech by Lazaro Vazquez, alternate member of the Communist Party of Cuba's Central Committee and the party's first secretary in Camaguey Province, at the graduation ceremony of the Revolutionary Armed Forces' Military Training Centers held on Jose Marti Plaza de la Revolucion on 17 July 1982, year 24 of the revolution]

[Text] Comrade Army General Raul Castro Ruz, second secretary of the Communist Party of Cuba's Central Committee and minister of the FAR [Revolutionary Armed Forces];

Comrades of the Politburo;

Comrades of the president's office'

Comrade officers and lady officers;

In this historic Plaza de la Revolucion [Revolution Square], the exceptional witness of memorable events and the scene of decisive days of patriotic reaffirmation, we come together at the graduation of a new class of officers of the Revolutionary Armed Forces who are graduating today from advanced-level military instruction centers.

On holding this traditional ceremony in the context of the celebrations of 26 July, the Revolutionary Armed Forces enhance the activities pursued by our entire nation to recall the anniversary which signaled the starting point of the final stage of the liberation struggles of our people, offering a new opportunity for reflection on the continuity of the historical process initiated that day when a group of fighting heroes headed by Fidel [Castro] set on the final stage of the 100-year struggle of our people.

That action was the prelude of the revolutionary war in which the first contemporary genuinely popular army of Latin America was created. The victorious outcome of that heroic event, the people's triumph, and the start of socialist construction brought to our people the freedom and independence for which men and women of all the previous generations had struggled.

On graduating to the initial officer's rank those cadets who are completing their training at the Technical Military Institute, the General Antonio Maceo Inter-Service School, the Naval Academy, and the Comandante Camilo Cienfuegos Gunnery School of the FAR as well as a group of university students who, responding to the call of our commander in chief, joined the FAR, complete an important stage in their lives in which they see their aspirations fulfilled, and they are ready to assume new and higher social responsibilities and to successfully launch on the promising life which the country's future provides our youth.

On devoting themselves to military service and swearing loyalty to our homeland, our people, our party, and our commander in chief, these young officers have taken the most important step in their lives, undertaken the most solemn commitment, and have launched on a substantively different stage in which, besides continuing the constant training required for successful leadership of their troops and the handling of modern military technology, they will play a role that is constantly more noteworthy in the instruction of their subordinates.

From now on it is these men who will shoulder the responsibilities whose importance stems from their relation with defending the revolution and with the destiny of the effort to which our people devote daily their energies and their fruitful creative talents. They are adequately trained to successfully accomplish their military duties which from now on will constitute the essence of their lives and the object of their constant dedication.

The young soldiers and officers of the FAR are exponents of the maturity, enthusiasm, and revolutionary fiber of our youth who constantly and in all fields are broadening their capacity to contribute positively in raising the country's defense capabilities. These youth who opted for a military career and who, together with blue-collar workers, peasants, technicians, and professionals swear loyalty to the same cause as their elders, as well as those university students who at the call of the revolution joined the ranks of the FAR, will daily be better prepared to fulfill higher responsibilities and for the time when they will be called upon to meet with a steady hand, without concessions or intimidation, the challenge of preserving at any price the historic achievements of our laboring people.

The Military Training Centers [CEMs] which today declare that they have graduated and certify the cadets' level of preparation are institutions which have long experience and whose high prestige is secured by a faculty of proved professional competence, able to transmit to their students the required skills so that these may fulfill their new responsibilities efficiently.

At these CEMs the graduates studied and learned the basic elements enabling them to hold commands in small units, to meet all the requirements, and by means of field training and steady practice to acquire the preparation necessary for the development of combat skills under all circumstances and conditions.

Still, it is important to stress that theoretical preparation rounds out to perfection skills when these are systematically enhanced by practical experience in a process characterized by experimentation and the search for new and original solutions, responding to the alternatives created by the evolution of

theory and military activity, applying initiative in a creative manner, and constantly developing planning, unique forms of increased skills, competence, and capability so that, acting with flexibility and independence, the officers may actively participate in the efforts made in improving the training and combat preparedness of their troops.

It is essential that the officers be instructed and that they in turn instruct their subordinates in the need to fulfill with exemplary discipline the provisions contained in the regulations synthesizing the experience and skills of generations of soldiers without this leading to the error of pretending to find in established documents and directions answers to all problems and recipes for all difficulties. The richness of life and the practice of military skills are not exhausted in generalizations whose scientific rigor assumes specific and concrete improvement at the time of application.

This is the way it is because individuals are the basic element of the organization and activity of the military institutions from whose skill in the handling of technology, expertise in the use of weapons, but above all thoroughness and steadfastness of their revolutionary convictions, intelligence and valor, the fulfillment of all tasks depend.

It is precisely for this reason that the officer's first duty is to educate his subordinates in the principles of Marxism-Leninism, to inculcate patriotism and internationalism into them, to cultivate among them a firmness and sense of duty and military honor, to make them aware of their personal responsibility for the fulfillment of entrusted missions, and to develop the political-moral qualities which distinguish and characterize the revolutionary soldier who fights up to the limit of his strength for a cause which is first and foremost his own cause.

These obligations, coterminous with the officers' status, are completely fulfilled by applying creatively what they have learned, reflecting on the content of the texts they have studied, strictly observing orders from superiors and lending consequent attention to the advice of their instructors and leaders, and especially making adequate use of the faculties which the regulations concede to them to hold commands, apply their initiatives among their subordinates from whom it is also important that the officers learn.

The most attractive characteristic of our army and its major pride is its profound love and infinite respect for our people and its constantly renewed disposition to serve with loyalty, modesty, and valor wherever its presence is needed. An example of this fact was evident in the actions deployed by various units of the eastern region before the difficult situations caused by the floods which devastated this part of the country in the recent past.

Your duty and that of everyone is to cultivate such ties and at every new opportunity to strengthen them with the security so that in this way we may lend to the FAR and the country the best of our services and help to ensconce the attractive revolutionary tradition epitomized in the expression that "the rebel army is the people in uniform."

That people, from the regular and reserve units, militias of territorial units and civil defense, and even the ranks of their social and mass organizations participate and help the defense tasks which in our country are not the exclusive responsibility of those who are professionally dedicated to such duties but rather is the highest revolutionary duty and an honor of all our people.

A recent example of this fact was evidenced by the group of university students who, seeing the needs of the country, in many cases reoriented their vocation to serve in the ranks of the FAR. They remind us of those youths who adopted identical attitudes in the early days.

Involvements with the people and identification with their desires and aspirations stress the difference between people's armies and the military castes of capitalist countries unable to fight at the side of the people because of their legitimate claims.

A few days ago the world witnessed the brutal manner in which the imperialist powers joined forces to back the British military adventure in the South Atlantic and where in a haughty attitude and with the use of force they strived to frustrate the Argentine decision to end the colonial situation existing in a portion of Argentina's territory.

The peoples of the Third World, historic victims of these abuses, witnessed with distress new versions of colonial practices which the most credulous thought to have been overcome and which had really been concealed by neocolonial procedures and sinuous and hypocritical promises.

In particular, the peoples of Latin America saw a new example and some governments which were still unaware of it clearly grasped what was involved and for what the Organization of American States and the Inter-American Reciprocal Assistance Treaty were being used, genuine products of the cold war era and instruments of Yankee policy created by the United States for its own ends and which in an act of barbaric haughtiness scored them at the very moment when Latin America invoked these arrangements in its defense.

Even while the echo of the final bursts of weapons are still in our ears, in the Malvinas [Falkland Islands], the world was witness to a new imperialist genocide. In the Middle East the Palestinian and Lebanese peoples, the former unfortunate refugees and the latter peaceful inhabitants, were brutally massacred by the Zionist hordes which, with American support, organized one of the bloodiest contemporary military machines whose action constitutes a flagrant example of terrorist practices converted into official policy by a gendarme state.

The bloodbath suffered by the Lebanese and Palestinian peoples, coldly planned and executed by the Zionists of Israel with the criminal complicity of Yankee imperialism which did not stop before the unanimous condemnation of world public opinion and the condemnation of the United Nations, evidences the fascist character of Israel and the United States and the enormous risks that their impunity and aggressive policy represent for world peace and the security of the peoples.

As far as Cuba is concerned, every day makes more evident the hostility of imperialism which, reviving old and outdated slogans, repeats maneuvers which it had also tried earlier. One of these is the tightening of the economic blockade through which imperialism strives to prevent in a practical way all our financial and commercial dealings with Western countries and entities, making it difficult and especially expensive for us to secure raw materials, equipment, and the necessary funding for the normal operation of important sectors of our economy.

Together with the above there has been a stepping up in military threats and of hostile activity in general and an increase in the military presence of the United States in the Caribbean region. All of this has occurred in addition to U.S. policy statements which are constantly more reactionary and continue to present obvious risks to our country's security.

President Reagan, in an example of ignorance and scorn for our policy principles, hypocritically promises to modify in some measure his policy in exchange for our reneging on our internationalist duties and if we relinquish the fraternal bonds tying us to the Soviet Union. In acting in this manner the defenders of imperialism again display in implicit manner the scorn in their behavior, which strives to buy off whoever they cannot intimidate.

At this graduation of new officers and before the likeness of our national hero, we shall stress our unalterable decision of defending our country and our revolution, and to do everything that may be necessary to strengthen the defensive capabilities of our country.

We shall face the new economic difficulties created by the international economic situation, the drop in the price of sugar, and natural disasters, and once again we shall know how to come out ahead. We shall find the means necessary to protect our vital interests. We shall make as many sacrifices as may prove necessary but we shall never make a concession to imperialism, shall never find a soldier here who would raise the white flag.

Our homeland will always be free or it will be the enemy's grave and the pedestal of our heroes. In this country no [foreign] sophisticated technologies will exist to thwart the resolve of an army and a people which in peacetime and in wartime are mingled because they are one and the same.

In the name of our party we congratulate the cadets who have graduated as officers in our cherished Revolutionary Armed Forces. We express our gratitude to the young university students who, in a further example of the willingness of our young people to participate in our defense tasks, have taken a step forward and joined the units where they fulfilled an important role in the efforts slated to raise combat preparedness.

We also greet those comrades who are concluding their studies in various academic courses, those attending officer proficiency courses, junior officer courses, and those trained by the directorate of MTT [Territorial Militia Troops] units. Once again, we remind you of your duty to contribute to our country's defense, to fight to the limit of your abilities, and to do everything possible because your involvement with the people is growing tighter all the time.

We salute the leaders, officers, instructors, and all the personnel of the Military Training Centers to whom we wish new and more memorable successes and in the name of the people who on this occasion were represented by nearly a million pioneers participating in the FAR's Friend's Contest and in the name of our party and our commander in chief, our beloved comrade Fidel Castro, congratulations to all.

Long live the Revolutionary Armed Forces!

Long live the Communist Party of Cuba!

Long live Fidel!

Our homeland or death!

We shall prevail!

2662

CSO: 3010/2142

FAR MEMBERS DECORATED FOR DISASTER RELIEF WORK

Havana VERDE OLIVO in Spanish 22 Jul 82 pp 12-13

[Article by Mario Rodriguez]

[Text] Once again there is excitement at the Granma Memorial on this July afternoon. At the small square outside the memorial, four columns of officers, noncommissioned officers, sergeants and soldiers await in perfect formation the start of the ceremony.

There are 105 of them. The most outstanding among many. The ones who in a singular demonstration of courage and often dragged by water currents, saved hundreds of children, women and old people during the torrential rains that lashed the western region.

They are gathered here today with the military bearing of always and their already proverbial modesty, ready to receive the worthy recognition of our socialist state, of our party and of all our people.

The "Cuban Red Cross" medal soon will hang over their chests. It is an honorable medal that carries in relief form the face of the unforgettable Manuel Fajardo, exemplary doctor and guerrilla commander.

Perhaps now Maria Isabel Triana, a reserve lieutenant, recalls more clearly the time when as a doctor she went with her rescue unit to the Guanabo area. There, shoulder-to-shoulder and as an equal to the men in her team, she aided the injured by giving them immediate medical care.

Surely Modesto Guaznabar, the young communist and soldier first class, recalls the time when his armored carrier sailed at full speed toward the house of that old lady who would have died had he not arrived in time.

Lt Col Horacio Lenin Garracedo certainly cannot forget the countless number of flights in his helicopter, the rescue of that family that was on top of a bushy tree, and the courage and self-sacrificing spirit of his crew.

The "Attention All" call is sounded, followed by our national anthem. Maria, Modesto, Horacio and all those present listen attentively to the Council of State resolution.

The resolution describes their demonstrated courage and bravery and hails the valuable work they performed. Actually, none of them had ever thought of these attributes, simply because these are part of their performance of duty and of the training they receive daily in our Revolutionary Armed Forces.

Then comes the presentation of the medal which they all receive with honor and infinite modesty, followed by the words of Brig Gen Juan Escalona who, among other things, asserts:

"This time they did not have to face the enemy. Their equipment did not have to be used in combat missions, but on the fight against natural elements. They demonstrated courage in the face of every test, a firm will, a high sense of duty and humanism. This is characteristic of the revolutionary soldier who having come from the people will never leave them and feels as his own the suffering and risks that any citizen might experience."

After the ceremony, restrained emotion turns into joy, into effusive embraces, into an involuntary tear like the one that ran down the cheek of Maria Isabel, which she carefully wiped off with the back of her hand while crying out: I am so happy!

List of Decorated Combatants

The annex to Council of State Resolution 89 on the award of the "Cuban Red Cross" medal contains the list of the persons decorated. They are:

Lieutenant Colonels: Horacio L. Carracedo Garcia, Anibal Carrion Ramirez, Justo D. D'Lois Perez, Jesus Fernandez Janeiro, Jesus E. Moreno Guerrero.

Majors: Gregorio N. Alonso Mirabal, Luis Ruiz Castellanos, Diogenes Cobas Garvey, Angel Gonzalez Benitez, Luis I. Lopez Garcia, Pedro Ortega Amador, Jesus Vazquez Perez.

Captains: Tomas Alfonso Lopez, Enrique Antunez Hechevarria, Freddy Dominquez Nunez, Alberto Feria Cruz, Jose M. Marti Balboa, Cristino R. Montano Rodriguez, Pascual Pascual Fernandez, Pedro P. Pena Pita, Jose Quinones Martinez, Hugo Ramirez Anjuria, Paulino Ramirez Gutierrez, Mario J. Reyes Licea, Luis Ricano Noquera, Nicomedes Rodriguez Gomez, Alejandro Zocarras Zapata.

First Lieutenants: Ramon Benito Fernandez, Orlando S. Cardenas Izquierdo, Felix R. Gonzalez Plasencia, Luis A. Millan Salgado, Julio V. Soto Conellas, Marcos A. Vazquez Ortiz.

Lieutenants: Demetrio Cuadot Leon, Armando L. Gordon Baker, Luis Hernandez Brena, Blas Leyva Lopez, Evelio Lezcana Sierra, Ramon Medina Cedenio, Ciro Millan Fonseca, Gonzalo Monteagudo Caso, Jose R. Rabelo Berovides, Buillermo Simon Carballo, Maria I. Triana Denis, Jorge L. Vega Zapata.

Sublieutenants: Anastasio A. Diaz Quintero, Oscar Hidalgo Oliya, Tomas Lima Leon, Humberto Montes Dantin, Salustiano Ruiz del Real, Marino Vega Blanco, Enrique Valdes Hernandez, Esteban San Roman Valdez, Jorge L. Safonts Corona, Jose Tellez Perez, German O. Verdecia Palacio.

Noncommissioned officers: Juan C. Figueroa Reyes, Jose Marrero Romero, Jorge Tamayo Zapata.

Sergeants Third Class: Roberto J. Abonachi Abut, Jose J. Bonjoch Verdayes, Luis M. Garcia Carrasco, Jorge O. Gonzalez Oliva, Miguel A. Hernandez Barbon, Leovigildo Rodriguez Sanchez, Jorge B. Toldeo Jimenez.

Soldiers: Edil J. Abelardo Morales, Pablo Almaguer Almaguer, Raul Arsola Veliz, Gilberto Bermudez Sanchez, Servilio Cabeza Rodriguez, Jose A. Callejas Alonso, Sergio R. Campanioni Jimenez, Raul Chedliack Navarro, Pedro L. Delis, Pablo Despaigne Pineda, Armando Dominguez Acosta, Diogenes Estrada Nelson, Ramon Garcia Mora, Modesto Guaznabar Morales, Jose L. Hernandez Iglesias, Angel Hernandez Toranzo, Adalberto Lod Ascanio, Arsenio Llanes Gorrita, Miguel Martinez Caron, Jose Marron Jay, Amado Menendez Pena, Ruben Noguera Milanés, Fernando Perez Analla, Jose I. Perez Benitez, Lazaro Pena Mosquera, Roberto Perez Savon, Bernardo Ponce Alarcon, Luis Quintero Morales, Guillermo Reyes Basabe, Raul Rios Ramirez, Juan A. Rivera Vera, Eugenio Rodriguez Barreto, Luis O. Rodriguez Ruiz, Roberto Rubi Cervantes, Felix Silva Rodriguez, Elio M. Suarez Garcia, Ernesto Tellez Veranes, Oscar Teruel Benitez, Rafael Villalobos Labrada.

9925

CSO: 3010/2134

GARCIA FRIAS ADDRESSES ECONOMY CADRES, TEACHERS

Havana GRANMA in Spanish 21 Jul 82 p 4

[Speech by Guillermo Garcia Frias, member of Central Committee Politburo, Communist Party of Cuba, and minister of transportation, at graduation ceremonies of the course for cadres, leaders and officials of the Higher Institute of Economy Management, 17 July 1982]

[Text] Esteemed professors, esteemed graduates:

It is always a great satisfaction to find ourselves in a school, and even more so when it is a training school for cadres, and at the same time it is stimulating and encouraging for us to participate in the graduation ceremonies of a course like this in the area of economy management and planning for officials and leaders.

It stimulates and encourages us, because with your graduation we are fulfilling the agreements and resolutions of our party congress and the directives of the government and advancing in the long process of gradual implementation of the Economic Management and Planning System.

As you all know and have reviewed in this course the last few months, during the 5-year period 1976-1980 the bases for implementing the system were established.

The Economic Management and Planning System arose from the imperative need to put our economic affairs in order. It was created for the purpose of applying efficient economic management methods and so that our cadres might acquire the necessary economic awareness and a vital concern for costs and efficiency in production.

We all recall that at that time, midway through the 1970's, there was an imbalance, a lack of harmonic growth among the different types of cadres. We had sufficient and capable political cadres, military cadres proven in battle, professional cadres in the various specialties of science and technology, but nevertheless we lacked the necessary and essential economic cadres.

If we review briefly our progress in implementing the Economic Management and Planning System in the last 6 years, we might say that we have consolidated

the organs of the People's Government and the political and administrative division of the country and that the structure and organization of the central state agencies and the enterprises are being improved.

If we examine the funds for material stimulation, we will see that by 1980 only 50 percent of the firms incorporated under this plan had established funds; however, in 1981 more than 85 percent had achieved this goal.

As for surplus products, those reported by the enterprises reached more than 500 million, although the actual volumes of surplus resources have not been reported in full, and it is most noteworthy that almost 90 million have been used to balance out 1982.

With regard to regulation of consumption, JUCEPLAN [Central Planning Board] has issued more than 7,000 additional norms of a directive nature, and already the 1982 figures for technical and material supply have been drawn up on the basis of these norms.

We must emphasize that the norms for fuel consumption for this year, together with better control of compliance therewith and the inducement system established--leaving in the hands of the agencies, in freely convertible currency, 1 percent of the value of the fuel saved, and providing for the payment of premiums to workers when consumption indicators are reduced,--will encourage and permit increased fuel savings in our economy.

Productivity Shows Growth Rate of Over 10 Percent

The work done in the area of work organization and salaries in the last 3 years of the last 5 year-period demonstrates that productivity has increased at an annual growth rate of over 10 percent.

The effects of the General Wage Reform and of the entire process of work organization are present in the efficiency which becomes more obvious every year. Thus, for example, the overall productivity of the economy in 1981 grew 10 percent, which means that 80 percent of the increase in production is due to this factor.

In addition, the General Wage Reform has not only contributed to increased efficiency, but has meant an increase in the buying power of our workers, who with this added buying power are putting more than 50 million pesos per month back into the overall economy.

The General Wage Reform, premiums, prizes and other forms of material inducement, the purpose of which is to increase production and efficiency, have meant a strong growth in income, without a similar increase in production. We must take measures to relieve the pressure this buying power is having on the movement of trade since otherwise the accumulation of money in the hands of the people, over and above its potential for spending, could cause a lag in production and affect labor discipline.

In view of this situation, we must develop an analytical study of internal finance, along with the people's savings and those of the state enterprises,

as well as speed up the work, already in progress, of reorganizing retail prices. We have made some progress in implementing the national accounting system and are well on the way to having everyone account for the resources he administers.

The control mechanism does exist, but inspection, auditing and supervision are still not being carried out effectively, and we must strengthen the requirement that controls be applied correctly.

There are deficiencies in financial controls over agricultural equipment and basic equipment, as well as in the determination of costs of production and in the settlement of accounts.

With regard to statistics, we have been working on improving the system and in the last 3 years have reduced by 7 percent the number of elements to be reported, although in practice it can be observed that the agencies of the Central Administration of the State keep requesting new indicators, to incorporate them into the Official Statistics System; this strengthens their protection of their business firms.

We have fought valiantly against illegal statistics or "black statistics," and have succeeded in reducing about 30 percent those centers which provide categories.

The population and housing census was completed last year, bringing us an important volume of information and a more precise view of the situation with regard to the various problems in our economic and social activity, as well as the Statistical Report on Intersector Economic Relations, which gives us a base for improving planning and establishing economic relationships among the various productive sectors.

Bank control over the wage fund has been developed, and today more than 1,000 firms are included in what is called the control through the wage recalculation coefficient. These firms represent more than 60 percent of those which have established forms of payment according to performance. In spite of its flaws, this mechanism is a step forward in control of the use of the wage fund.

The Cash Plan has also been a vehicle for control of our monetary circulation, so that we know how our internal finances are going and to what extent there is or is not a surplus of money in circulation. There are still some deficiencies here, since to date the periods established for the reintegration of unpaid wages, as well as regularity in the depositing of income, have been strictly observed.

The use of bank credit by the state enterprises is another efficient element of control over their economic activity. We must not forget that interest on the loans is paid out of earnings and that a poor collection system and surplus inventory create a need for more financing, more bank credit, an increase in interest payments and deterioration of business activity.

Control over investment has been improved, and more than 60 documents have been drawn up to standardize this process. Today investments are part of the plan, and control of selected investments is being systematically implemented, bank control is being instituted over the entire investment process and short term bank credit mechanisms are being used to fill the temporary shortage of funds.

We have also made some progress in the application of prices, although the most serious problem lies in the existence of a large number of budgeted enterprises and units which lack suitable personnel to look after this category in a systematic way. In addition, prices, discounts and other surcharges are not reviewed by the enterprises and units, and they do not make adequate use of the state arbitration mechanisms for claims.

The enterprises are beginning to use state arbitration to solve differences over the form or execution of contracts. Although they use the forms for economic contracts issued by JUCEPLAN, several economic entities are still ignorant of the role played by the contract in a good business activity.

Progress is being made in standardization, weights and measures and quality control, and more than 85 percent of the enterprises have drawn up their plans for specific measures for implementing the National System of Standardization, Weights and Measures and Quality Control.

More than 10,000 standards have been approved by the state standards center, and more than 70 percent of the enterprises have had their principal products or services approved for standards and quality specification.

It can be seen, however, that a large group of national and local enterprises do not have the specialized personnel to supervise properly the development of these activities.

With regard to information and data processing, there are in operation 6 provincial computer networks or systems which support data processing at important logical processing equipment particularly local enterprises, and others who do have it are not developing the equipment according to established technical norms. The collective processing centers currently have an average daily use rate of between 20 and 78 percent.

With respect to further training of the economic teams, some very important steps have been taken with the creation of the system of economic management schools and those established by the state agencies, among which we should mention the Higher Institute of Economic Management.

Comrades:

On graduation today you are joining the thousands of cadres, leaders in economic activity, who have come from this School of Economic Management--which is now an Institute of Higher Education--and from the provincial schools. You are the concrete example of the progress that has been made in implementing the System of Economic Management and Planning.

As we have seen, in the past 5-year period we have made progress with the bases which are imperative for the implementation of the System, but as the resolutions of the Second Congress state, the objectives set forth during the first 5-year period are achieved, basically, insofar as the implementation of the mechanisms and regulations which will bring us to the more general application of economic calculation. That is to say, its level of efficiency is not satisfactory and it has been established that the economic awareness of the cadres has not achieved its necessary development.

Conditions Basically Ready for System, Although Many Flaws Remain

In general, the basic conditions for successfully deploying the System have been met, but we still have many deficiencies, limitations and flaws in discipline which we must eradicate.

Fidel pointed out for us the way to eradicate deficiencies and disciplinary flaws when he stated, at the Second Congress:

"In the next 5-year period we will work to develop and improve to the maximum all the mechanisms of the System, and it is the revolutionary duty, the political duty of all, first of all of the party, of the organs and central agencies of the state, the enterprises, the workers, mass organizations, economic and administrative cadres and all the leaders of our economy, to struggle consistently and to do their best to comply with the proposal and the decision to implement the System, whatever the present deficiencies."

You are graduating today in the second year of the present 5-year period 1981-1985, and we are convinced that this force of economic cadres which are returning to their jobs will contribute with their efforts and energies to the fulfillment of the objectives outlined.

For you, comrades, the classrooms, desks, textbooks, lectures, examinations and theses are left behind. There have doubtless been months of constant application to assimilate ideas, to master the assignments, and today you have a broader knowledge of business management, political economy, statistics, planning, finance and industrial production.

We know it has not been easy to pass the course, and for many comrades this was their first opportunity to study all these subjects at once.

For these 6 months other comrades took over your management positions in the agencies and enterprises; now many of those same people will replace you here as students in the new class which will begin in September.

And thus we will do every year, in an unceasing cycle of study and work, until all the management cadres are duly trained, qualified and prepared with all the principles of the System of Economic Management and Planning.

Because it is the duty of all of us to study beyond all our responsibilities, because none of us with management responsibilities can afford the luxury of

remaining behind. And I am sure that none of you wishes to remain behind, that nobody wants to be outdistanced, since today all of our people are studying. And one cannot conceive of the building of socialism without that gigantic effort to excel.

So it is that all the management cadres of the party, state and government have a sort of permanent task, to develop a growing spirit of education and study, because it is an essential condition for leadership, for assuming the responsibilities that you will undertake. One must have the necessary level of education, the required knowledge, and even more so in a society like ours in which everyone is constantly and permanently improving his education.

Now you will return to your management positions in the agencies and enterprises, and the practical application of the knowledge acquired must be a constant task, and the transmission of this knowledge and experience to other cadres and to groups of workers must occupy an outstanding place.

We still have many obstacles on the way to improving our economic activity, implementing the System and making our economy, as a developing country, more efficient.

We must bear in mind the present international circumstances, including the capitalist crisis, the reduction in prices of our basic export articles and the high prices of the goods and equipment that we import, the deterioration of trade relations and the constant imperialist harassment and blockade.

On the other hand, [we must also remember] that we have the broadest international solidarity and the assistance and cooperation of the socialist countries, and that we also have reserves which we must incorporate efficiently into production and services.

So it is a question, precisely, of arming ourselves, all of us, with the broadest knowledge of economic management and putting it to use in employing all human and material resources with the maximum economic efficiency, overcoming the limitations placed on us by the current international situation.

To sum up, it means advancing in the building of socialism, fulfilling our plans for 1982 and for the 5-year period, of achieving the goals outlined for us for our economic development, and improving production and services every day.

We are all aware of the deficiencies and difficulties we face at present. I said at the beginning that we are encouraged and stimulated by this graduation because we are firmly convinced that you will contribute with your work to achieve the efficiency we require in the implementation of the System of Economic Management and Planning.

You all know, because you are management cadres, that we must improve the quality of planning in every agency and enterprise; that we must improve and ensure the active participation of the workers in drawing up and in control of plans; that we must give the greatest attention to provincial planning, and that we must finish the process of standardization of material, financial and labor consumption and of inventories.

And they are awaiting your efforts and the experience you have accumulated: the elimination of losses in the enterprises, the improvement of accounting systems and finances, the reduction of surplus inventories, paid-up loans, the reduction of costs and tens of other indicators which require efficient economic management.

Effort To Satisfy Growing Needs of People

It is a question, in the final analysis, of achieving the productivity and efficiency demanded by our economic development, with a view to satisfying the ever growing needs of our people.

In sum, it is a question of using to the optimum the equipment, the raw materials, the labor force, every ton of metals, every part, every gram of fuel, each peso and cent, and every effort of our workers.

We are counting on you, on what you have learned here, to utilize in the best way possible the financial, material and human resources, and to continue to advance the process of implementing the System of Economic Management and Planning.

Comrades:

We said at the beginning that this Higher Institute of Economic Management is a training school for cadres, and you are, in addition, managers of the agencies and enterprises of the state, with sufficient political training and capability to interpret the directives of the party and the government, to make them your own and transmit them to the workers.

You have acquired ideological and administrative training, and you are capable of practicing in production and services the principles of collective discussion and individual responsibility and decision. Furthermore, you have given proof of your faithfulness and your discipline.

You have been trained for individual and collective analysis, to make necessary decisions and to practice creative initiative.

In conclusion, as management cadres you have sufficient political stature and the necessary economic knowledge to reason dialectically and to give impetus to the production or services sector for which you are responsible.

We expect the maximum effort from you, we are counting on your unselfish labor every day and we are sure that you will fulfill your roles as leaders in improving the efficiency of our economic activity.

With regard to the institute, its professors and the material base for study, it must be pointed out that a little over 6 years ago all this did not exist: it was only a firm proposal and a vital need.

What a gigantic effort has been made since then. The system of Economic Management Schools has trained more than 13,000 officials and leaders from all sectors of the national economy and, crossing national borders in compliance with their internationalist duty, have also trained here hundreds of cadres from the brother countries of Latin America and from Africa.

Now the Institute and the provincial schools have staffs of diligent and well-trained professors and today not only are the half-yearly courses taught, but there are regular, special and postgraduate courses.

To all of you, our dear professors, our sincere felicitations and our recognition for the work you have done and for this willingness to generalize economic knowledge and sow economic awareness, since the thousands of officials and leaders of the agencies and enterprises are still awaiting your classes and lectures.

My dear graduates:

A phase of your training and apprenticeship in economic technology is concluding for you today. We congratulate you with all our hearts for the effort you have made.

Other stages of apprenticeship and constant improvement of knowledge acquired will follow these, and tomorrow you will all face, in your jobs, the tasks the revolution hands us in the immediate present.

The workers groups are waiting for you. In your absence they have carried out heroic tasks of production in the enterprises and units. They are hoping that all the knowledge and experience you have acquired in this Institute will be applied to the organization of production, so that very soon they may achieve an increase in the productivity of their work. You must not disappoint them! We exhort you to apply in a practical way all you have learned, to work as leaders for the party, the revolution and Fidel, doing your best to achieve the highest degree of economic efficiency!

Fatherland or Death!

We will win!

8735

CSO: 3010/2144

FIRST MUNICIPAL COOPERATIVES UNION IN HAVANA

Havana ANAP in Spanish May 82 pp 32-33

[Article by Ramon Aymerich]

[Text] The Municipal Union of San Antonio de los Banos Cooperatives, an agency composed of CPA [Agricultural and Livestock Cooperative] and CCS [Credit and Services Cooperative] cooperatives along with the board of directors of the ANAP [National Association of Small Farmers] and the appropriate department of the Ministry of Agriculture, has been experimentally set up on the fertile lands of Govea to handle farm production.

Thus La Habana has become the first province in the country where this organization has been created as a pilot project and, later on, one will be set up in each province for the purpose of acquiring experiences and making them widespread throughout Cuba in order to promote and push the 5-year economic plans, the political and social advancement of the rural population and, most especially, to better apply the standards and procedures established by the Economic Management and Planning System.

The occasion, which brought together the families of the members of the 10 cooperatives of both types that exist in San Antonio de los Banos, celebrated on the grounds of the Antero Regalado de la Encrucijada Social Club, was presided over by Jose Ramirez Cruz, an alternate member of the Politburo and the Council of State and president of the ANAP, Julian Rizo Alvarez, a member of the Central Committee Secretariat, Luis Alvarez de la Nuez, the first secretary of the party in La Habana, and Pedro Manuel Roche Alvarez, vice president of the ANAP, both of the last two named members of the party Central Committee.

The gathering served as a framework for the founding of the municipality's fifth CPA, which will devote itself to the cultivation of stew and garden vegetables in the district of El Valle over an area of 11 caballerias [1 caballeria = 33.2 acres] and [will be composed of] 26 members who proposed that the cooperative bear the name of Farabundo Marti in honor of our brother nation of El Salvador.

The inaugural address was delivered by Manuel Gonzalez Rodriguez, a member of the ANAP National Bureau and president of the agency in La Habana, who noted that both events were taking place to render homage to those who died on

13 March 1957 when a group of revolutionaries were murdered during the attack on the presidential residence and Radio Reloj at the bloody hands of the tyrant Batista's army.

Later, in summing up the meeting, Pepe Ramirez reiterated that, while that 13 March was an appeal to join in the fighting that had begun in the Sierra Maestra, today's ceremony in addition exhibited a disposition of profound solidary and internationalist feeling for the heroic people of El Salvador, one of whose heroes, Farabundo Marti, has lent his name to the CPA that has just been created.

"And Farabundo Marti," said Pepe Ramirez, "the Salvadoran people's banner of struggle and combat, was one of the men most hunted and feared by the Salvadoran oligarchy during that convulsive era of the 1920's and early 1930's because of his upright attitude of combat against the system of exploitation and inequality that enslaved the people, trampled the dignity of the nation underfoot and represented the vilest ambitions of the ruling oligarchy and the interests of foreign capital."

Referring to the establishment, growth, development and consolidation of the CPA's, Pepe Ramirez asserted that cooperativization was going well in the country. "Not as quickly as we would like, but it is progressing as it must progress, constantly respecting the principle of voluntariness. The fact that we have already established over 1,000 CPA's, some spread over 200 caballerias, indicates that there is an economically strong and promising cooperative movement."

Pepe Ramirez reported that the services provided cane growers by the MINAZ [Ministry of the Sugar Industry] cost that government agency 19 million pesos, while the free services provided small farmers, also during the same period of time, meant an outlay of 17 million pesos for the Ministry of Agriculture.

"Therefore, to avoid that situation, we proposed the creation of this kind of cooperation agency, the Municipal Union of Cooperatives, experimentally for the time being, in order to acquire experience in the search for a suitable response to the orientation established by the First Party Congress, namely the application of organized methods and flexible, dynamic and efficient approaches in dealing with the farm sector.

"The union," Pepe Ramirez added, "will base its administrative and economic missions on the principles of self-management, that is, financially sound and whenever possible profitable, since the farmers do not want to cost the socialist state too much. On the basis of this municipal union, after making adjustments and tallying experiences, one per province will be established during this experimental phase."

As for Manuel Gonzalez, he pointed out that the creation of the cooperative union is the result of a thorough job of analysis performed by the board of directors of the ANAP along with the heads of national agencies concerned with farm production.

"In San Antonio de los Banos," Manolo said, "the union will assume the functions the Lazaro Pena Enterprise now has in administering the farm sector, for which purpose the latter will sell the union the equipment, tools, installations, etc. which it has used for that job and transfer to it the personnel required by the union, whose chief activities will be the following: a) to perform the functions of supply, insurance and technical assistance for the cooperatives it is composed of; b) to efficiently carry out the administrative activities of economic and statistical management; c) to draw up the plans for production, supply of technical materials and sales to the state as well as the negotiation of contracts with suppliers and state warehouseurs on the basis of the figure that has been approved for the operational year; d) the acquisition of material and technical resources as well as those needed for the cooperatives it is composed of; e) to provide technical advice on production and cultivated acreage; f) to provide services for the preparation of the soil, irrigation, maintenance, transport, blacksmithing, etc.; g) to provide farmers and CPA's with accounting and other services; and h) to support tasks relating to the development and consolidation of the cooperative movement.

And lastly, Manuel Gonzalez reported that the union would set up an administrative board, subordinated to the Council of State, which would be responsible for the operation and control of the union.

The board of directors of the San Antonio de los Banos Cooperative Union was composed of CPA presidents Raudelio Chavez of the Jorge Dimitrov CPA, Francisco Estevez of the Nguyen Van Troi CPA, Pedro Roche of the Augusto Cesar Sandino CPA, Arnaldo Delgado of the Antero Regalado CPA and Raul Mirabal of the Farabundo Marti CPA; of CCS presidents: Gilberto Leon of the Fermin Garcia CCS, Pedro Chavez of the Jesus Menendez CCS, Clemente Ortega of the Jose Marti CCS, of the Camilo Cienfuegos CCS (at the moment without a president since most of its members have joined the Farabundo Marti) and Eusebio Gonzalez of the Niceto Perez CCS. The president of the ANAP in San Antonio de los Banos, Felino Delgado, and the Ministry of Agriculture delegate for the farm sector, Jose Rodriguez, complete the group of directors that was welcomed by Pepe Ramirez. "So San Antonio de los Banos," he said, "the birthplace of Antero Regalado, has the honor and the great responsibility of being the first municipality in the country where this experiment is being initiated, a fact which will undoubtedly contribute to the consolidation and growth of our far and livestock and sugar production."

11,466
CSO: 3010/2051

YOUNG TEACHERS PREPARING FOR DUTY IN ANGOLA

Havana BOHEMIA in Spanish 16 Jul 82 pp 60-61

[Article by Oscar F. Rego]

[Text] In the near future 390 young people who finished the second half of the second year of the master's degree in education will leave for Angola as the fourth contingent of the Che Guevara International Pedagogical Detachment.

These Cuban internationalist teachers, like those who preceded them in the three previous contingents, are going to the sister African republic to participate, together with Angolan teachers, in the development of education and the betterment of the people.

They spent 22 weeks in the Santiago Figuerola Ortiz ESBE in San Antonio de los Baños, where, in addition to mathematics, physics-chemistry, biology, geography, and history, they studied Portuguese and took physical education courses. They have attained satisfactory educational development and were successful in the Varona 82 Pedagogical Athletic Contests. They also held a student science fair with 61 entries prepared by 70 percent of the class; over half the class participated in the detachment's cultural fair.

"All these activities," said Jose R. Fernandez, minister of education, at the farewell ceremony for the fourth detachment, "show that the principal characteristics have been discipline, enthusiasm, and total dedication to the tasks presented. Instrumental in this was the promotion of emulation and the achievement levels sets."

"This contingent," Fernandez emphasized, "inspired by the life and example of our Heroic Guerrilla, is a pioneer in the massive cooperation effort engaged in by our country in the educational field and it has now become a symbol of deep historical significance and the pride of our nation for the work it has accomplished, in which it has shown responsibility, a fine attitude, and enthusiasm for its international efforts. It is an example of what we hope our educators will be."

After explaining to them the importance of the task they are assuming in Angola and alerting them to the necessity of systematic study, good relations between teachers and students, and amicability with the teachers and educational authorities of Angola, he quoted words spoken by Fidel which they must always keep in mind, words spoken at the welcome of the first contingent and the farewell to the second in May 1979.

Education, said the minister, is one of the most honorable of professions, but the honor stems from the quality of the work and one's daily conduct.

The members of his Che Guevara Fourth International Contingent solemnly swore to maintain the example of their comrades who previously offered their services for the education of the Angolan people to be worthy representatives of the Cuban people, and to display at all times the same revolutionary attitude that has always characterized the internationalist teachers.

9015

CSO: 3010/2057

INTERNATIONAL TRAVEL FOR PEASANTS NOTED

Havana ANAP in Spanish May 82 p 55

[Article by Cornelio Batista]

[Text] The economic, political and social advances made by Cuba have enabled it to considerably increase international and social tourism during the past few years.

Social tourism is being developed as a means of bringing closer to one another our bonds of friendship and fraternity with the countries of the socialist world.

Before the victory of the revolution, those who generally traveled abroad on tours were landowners and affluent bourgeois. Not a single poor person ever had a chance to do so.

Just a few years of the revolutionary process in our country have sufficed to cause this situation to do a total about-face. Now we can say that workers, farmers, students, in short everyone who in one way or another distinguishes himself on some front or activity involving the economy, sports, production or farming, are indeed traveling.

By way of incentive, the opportunity to travel as tourists is offered those who have made the greatest effort in the production of material goods for the society.

Social tourism is engaged in today in Cuba for the purpose of getting more deeply involved in exchange relations and more direct familiarity with the advances made by socialist brother nations.

To have a chance to visit some nation in the socialist world is a matter of satisfaction for any Cuban because it means a real opportunity to get into direct contact with the history of these peoples, find out about their social and historical evolution and become thoroughly familiar with the great sacrifices they had to make to achieve national independence and, later during the hard years of World War II, to triumph over the treacherous aggression of Hitler's brand of fascism at the cost of enormous hardships and heroism.

Farmers Also Travel

Farmers and their families may also opt to travel as tourists to different socialist countries, among which are: the Soviet Union, Czechoslovakia, the German Democratic Republic, Bulgaria, Poland and Hungary.

This year, 1982, INTUR [National Tourist Institute] has various offers for farmers and among them are trips to Czechoslovakia, the GDR and the USSR-Poland.

Departures for the trips planned to Czechoslovakia have been scheduled for the month of June while those to the GDR will be in the months of June and July. As for the combined trip to the USSR and Poland, the departure is scheduled for the month of August.

Tours to Czechoslovakia last 13 days, to the GDR, 14, and to the USSR-Poland, 22 days. During these scheduled times, tourists travel comfortably, visiting historic sites, industrial and agricultural projects and tourist spots in these brother nations.

Farmers may obtain all the information on procedures, documentation and prices at ANAP [National Association of Small Farmers] provincial offices or tourist agencies in each of the country's provinces.

There they will be provided with the necessary guidance in accordance with the INTUR program now in effect.

The doors to social tourism are open to our farmers and their families.

11,466
CSO: 3010/2051

RISE IN MIAMI CRIME PROBLEMS HIGHLIGHTED

Havana TRABAJADORES in Spanish 22 Jul 82 p 6

[Article by Pedro Garcia: "Florida; Paradise of Crime"]

[Text] Havana, 21 Jul--Year after year the North American authorities themselves recognize that the State of Florida, in the southern United States, is the worst of all because of the high level of crime.

The Mafia, which is the main financier of tourism in this southern state, has now entered into a new business: exchanging weapons for drugs in order to settle fights with a "more modern idea in business."

According to a report from the office of Alcohol, Tobacco and Firearms of the North American Department of the Treasury (OATA), in the last 18 months more than 700 submachineguns and about 1,000 silencers were seized which had been exchanged illegally.

"This is without a doubt the busiest OATA office in the United States," said Dan Conroy, a special agent of the OATA assigned to Miami.

Despite the abundance of information from the OATA, from Conroy himself and from a few agents, the names of the main persons involved in these acts do not appear anywhere.

Perhaps for this reason and because of the tremendous economic and political power exercised in Florida by Resorts International--a company managed by the Mafia--the 17 publicly known murders in 1981 did not receive any publicity either.

At the present time, more than 70 percent of the drugs that are consumed in the United States enter the country through Florida and bring annual profits above \$20 billion to the underworld.

The submachineguns, for the same reasons that the trafficking in drugs is increasing, cost much more. At the end of 1981 an RBC MAC type, 45 caliber, was worth \$400; today its price or equivalent exchange in narcotics has reached \$2,000.

A:

According to the current criterion among criminals, the submachineguns on sale are very easy to handle, since they can be changed, carried under the armhole and have a high accuracy and firing power.

Behind this increase in its use is the Mafia, 14 of whose members (these names not disclosed) were arrested in Jacksonville, where about 20 automatic rifles were confiscated, which were ready for sale.

The police reported that the gang mentioned above was manufacturing and dealing in weapons for drugs but that the size of the operation was now known.

A customs spokesman, Dave Woods, said that "the smugglers and traffickers in arms have common problems of transportation, communications and payment. It is very possible that they are joining resources and certainly operations."

This news does not seem new, because since 1978 up to today the North American authorities speak of the seizure of half a hundred boats, planes and even communications equipment and radar from the weapons and drug traffickers.

However, the list of persons arrested for these acts is never revealed and neither is there information about important trials, even when Vice President George Bush is heading a special group concerning this in Florida.

9545

CSO: 3010/2143

STUDY VIEWS POLITICAL, ECONOMIC PROBLEMS AFFECTING MCC

Guatemala DIARIO DE CENTRO AMERICA in Spanish 13 Jul 82 p 4

[Article by Julio Cesar Anzueto]

[Text] Guatemala, Jul (DPA)--The Central American Common Market [CACM] is in its worst crisis since it was established 22 years ago, according to a study by the Secretariat of Central American Economic Integration (SIECA) in which it makes a new and urgent appeal to the governments to recover integration.

The plan of the CACM of the Isthmus, whose members are Guatemala, El Salvador, Honduras, Nicaragua and Costa Rica, was considered for several years a "model" of what a process of integration would be, and it was even favorably compared with others of the region, such as the Latin American Integration Association (LAIA), the Andean Group, the Caribbean Group and the EEC itself.

However, the first big setback was that concerning the war between El Salvador and Honduras in 1969, and then other conflicts of a lesser kind, and in recent years the dissimilarity of governments and different interests, which have created barriers and more barriers to what was previously a flowing trade, as they were organizing the various instruments for integration.

In the SIECA study, recently presented to the Central American ministers for integration, and of which the German press agency 9DPA) obtained a copy, the history of Central American integration is recounted and of the projects for reorganization, concluding that since these projects were completed, "Six years have elapsed without the governments' speaking officially about the Economic and Social Community of the Isthmus," in which advantages are outlined for the five nations.

It is emphasized that the CACM was an object of study not only by SIECA and organizations for integration, but by the private sector (chambers, employers, universities, labor and professional organizations, etc.) in the five nations.

In another part of the 39 page document, SIECA points out as "extremely serious" the fact that the Central American ministers have not met for 18 months to deal with these matters which definitely affect the five nations, for which reason, "Instilled with its responsibility before those ministers and in the exercise of its ability and initiative," SIECA has prepared this document as a provision for "The reaffirmation of the integration process and its survival under the new conditions that Central America is experiencing within its domestic environment and in its relations with the rest of the world."

The document enumerates and examines the technical aspects, the factors that affect the process, the development of the countries during these last years and the political events that have had repercussions and an increasingly greater interrelation with the economic factors and, therefore, with the process of integration, pointing out:

"The revolution in Nicaragua and its entry into power with a very substantial qualitative change in the method of governing."

"A situation of armed rebellion in El Salvador and Guatemala, giving rise to, in certain instances, to civil war or to sporadic war."

"Political campaigns in El Salvador and Guatemala, as well as in Honduras and Costa Rica, with different ideological programs."

After describing these and other events, the SIECA document points out that "There remain, without resolution, serious domestic problems and in relations between countries, although there are demonstrations by all of good will to overcome these problems."

In the economic area, SIECA mentions the recession throughout the Central American region, the decline in export products from the region and the exit of capital abroad, concluding that "the CACM, without a doubt, is undergoing the worst crisis in its history."

The study adds, moreover, that on the international scene, the Central American countries bear their part of the responsibility, for not taking maximum advantage of the possibilities for acting jointly that the integrationist plan offers them, with which they would have greater support to conclude trade agreements and to obtain foreign resources in order to face the present situation.

Central America then confronts a special situation resulting from Central American political phenomena, from the political heterogeneity of the region and from the weakening of the governments, before which is evident "The powerlessness of the regional integration organizations, which despite their ability and initiative and will to cooperate, do not have a greater decisive capacity."

Then SIECA introduces to the governments "What to do and soon, before events overflow even more and it becomes difficult to act effectively," and SIECA urgently presses for "The ministers responsible for integration to reassume the role that belongs to them."

Moreover, SIECA suggests "The establishment of an interministerial coordinating group at the domestic level in each nation," with the ministers for economy, trade, industry, finance, agriculture, planning and the presidents of the central bank, to achieve the "Formation of a national position on the matters of the CACM."

As urgent measures, SIECA calls for the resolution of problems resulting from unilateral measures for economic defense, which are affecting regional trade and the final negotiation of a new common foreign customs tariff.

SIECA states that all of this is possible "If the governments are open to the idea that the swiftness of the events in Central America, conditioned in large part by events that are occurring in other countries, in America and Europe, demand great flexibility, penetration of political, economic and social phenomena to find formulas for a solution, within a climate of understanding and mutual respect for the ideological plurality which as a sign of modern times is appearing in the nations of the isthmus."

9545

CSO: 3010/2043

PRESIDENT CREATES THREE NEW OFFICES

Guatemala EL IMPARCIAL in Spanish 21 Jul 82 pp 1, 7

[Text] Three state offices were created today by President Efraín Ríos Montt to more effectively deal with the national crisis.

They are the economic office, the security office and the social office as presidential undersecretary for public relations, correspondent Rafael Escobar Argüello informed EL IMPARCIAL this morning.

The creation of the three offices was arranged by President Ríos Montt, in a meeting of ministers held this morning in the presidential residence.

Escobar Argüello said that the creation of these offices comes out of discussion that began last Monday, since the president wants to speed up public administration and basically find immediate solutions to the economic problem that pervades the country.

"The economic office," added correspondent Escobar Argüello, "consists of the ministers of public finance, economy and agriculture, Dr Leonardo Figueroa Villate, Julio Pablo Matheu and Leopoldo Sandoval Villeda, with whom the secretary of mining and hydrocarbons the president of the Bank of Guatemala, Jorge Gonzalez del Valle, and the secretary of economic planning will cooperate.

This new organization will quickly study all that concerns the national economic situation and must present adequate solutions in the shortest possible time.

The security office, the official added, consists of the ministers of national defense, Gen Oscar Humberto Mejía Vítores, of interior, Col Ricardo Mendez Ruiz and of communication and public works, Col Edgar Leonel Ortega Rivas.

The social office consists of the ministers of public education, public health and social assistance, and social security, Prof Luis Merida, Dr Adolfo Castaneda Felice and Otto Palma Figueroa, respectively.

This office must study and propose immediate solutions to problems of national education, the health of Guatemalans and all that pertains to unemployment and creation of new sources of work, he reported.

MINISTER SANDOVAL VILLEDA DISCUSSES AGRARIAN REFORM

Guatemala PRENSA LIBRE in Spanish 21 Jul 82 p 6

[Text] The National Agrarian Transformation Institute (INTA) will work under the guidelines set forth by the Ministry of Agriculture, since we must not have different policies in this field, Leopoldo Sandoval Villeda, the head of the above mentioned section, said yesterday.

He added that if the rest of the decentralized institutes of the public agriculture sector cooperate closely with the ministry, it will make INTA, he indicated, attain the best agrarian benefits.

Why?

Because you cannot have two policies on the same proposal. That is, the repository of national land and cattle policy must exist in the Ministry of Agriculture, whoever the minister might be. In other words, you cannot have contradiction in agrarian transformation matters, as there was when I was in charge of the presidency of INTA. In those days, my problems were very serious because I had one policy and the minister had another, totally different, which made it impossible to work.

And what of land expropriation the course of agrarian policy?

I have sworn to respect the basic statute of the government, and as for agrarian reform (expropriations), I will adhere to what is set down in Article 23 Clause 3 of the above mentioned statute which says: "Private property is acknowledged and all can freely make use of its wealth in accordance with the law." Expropriations will not be agreed upon except in cases of public use or necessity duly verified and in conformity with the law." Therefore, in my opinion this is basic and while this (statute) exists I cannot depart from that rule.

Later on, he said that a true agrarian reform, in any country can only be made through political decisions made at the highest level.

By way of discourse, Sandoval Villeda added:

Either agrarian reform is done thus, through a political decision, at the highest level, or it is done another way, in itself and for itself, by the

peasants, guerrillas, etc. But if it is done institutionally it must be because the highest political decisions are taken. Naturally, we must be clear in that if this happens, neither I nor any official who is obliged will announce or carry out a measure of this kind.

The minister made reference to the continuation of cooperation and participation of the peasant in agrarian reform. He said:

Agrarian reform is an instrument of development and depends on the conditions of each country, at times of each region of a given country, to see if it is useful or not, if it works or not.

All the same, I do not believe in agrarian reform such as many of those implemented in Latin America.

For example?

Those that are done to mitigate peasant greed, those that are applied to punish landowners and much less those done by demagogical politics to trick the peasants. Moreover, I do not believe either in the agrarian reform of small lots, since I am against dividing the land. I think that is an error.

What is your point of view on the distribution of national farms to the peasants?

It is not right, from the technical point of view. Not because it is for the peasants, no, since agrarian reform is and must be for the peasants. What happens is--what I have already said--I do not believe in small lot reform. Concretely, with that handover, an ongoing enterprise is destroyed in order to convert it into a small farm. So that one of my first concerns is to carry on the training for peasants and officials so they can adequately operate in a businesslike manner. Incidentally, I began this program 16 years ago, with cooperative farms, and all those ideals. I trust that they will continue now, but be done correctly.

Naturally it is necessary that I make clear my position, regarding the peasants; at no time must it be construed as something negative concerning what has been done, but since an error was committed, we are trying to correct that mistake with the compliance of the peasants. If, finally, they choose the small lot, that will be their decision, but what remains clear is that the policy we are determined to apply would amount to bettering their socioeconomic conditions.

When Sandoval Villeda was asked his thoughts on land distribution, he said:

I consider it must be in the form of peasant management, where there is agricultural enterprise that combines the factors of production, that is land, capital, labor so that not only will the peasant family develop but the nation as well. Naturally, it is possible to find peasants living successfully on the small lot, but it will not happen henceforth.

Therefore?

That if agrarian reform is desired as an instrument of national development, rural management systems will have to be developed to promote employment in other sectors of the economy, feeding other people through the stimulation of the agroindustrial sector. If fruitful enterprises that generate greater productivity are not organized with the goal of boosting the economic sectors, then agrarian reform will have no meaning.

9989

CSO: 3010/2110

FINANCE MINISTER FIGUEROA VILLATE ON ECONOMIC ISSUES

Guatemala EL IMPARCIAL in Spanish 7 Jul 82 pp 1, 8

[Text] "We cannot argue about the importance of trade in Guatemala, because it represents more than one-fourth of the country's economic activity," said Finance Minister Dr Leonardo Figueroa Villate, speaking yesterday before the members of the Guatemalan Chamber of Commerce at the Camino Real hotel.

Figueroa Villate specified that "trade generates between 27 and 30 percent of Guatemala's gross national product.

He added that there will not be any new taxes in Guatemala and that the banking system will not be nationalized.

Economic Crisis

In his talk, Figueroa Villate said that the Guatemalan economy is suffering deterioration because of many negative factors.

He specified that during 1981 the recession in the world economy was shown in a deterioration in price for most of the raw materials that Guatemala exports, which was translated into a fall in the export value for some goods and in the disappearance of others, such as nickel, as well as in the decline in tourism.

Figueroa Villate also said that to this situation is added the abrupt fall in exports from Guatemala to the Central American Common Market, from 440 to 379 million quetzals, because of the generalized recession that the countries of the region are suffering.

He added that in recent years Guatemala's image in the international financial community has deteriorated.

Figueroa Villate stated that the crisis has also caused the acute shortage of foreign exchange at the present time.

He criticized the previous government administration, pointing out that many of the public works were projects of doubtful priority and reflected inflated costs.

To Reactivate the Economy

The present government, which emerged from the military coup of last 23 March, proposes to reactivate the national economy, added Figueroa Villate.

He stated that the government of Gen Efraim Rios Montt found an acute scarcity of foreign exchange, economic blockage, growing unemployment and contraction in the levels of investment.

No More Taxes

Figueroa Villate stated that the new government will not create more taxes, "because it is aware that such a measure would be detrimental for the whole population."

He added that the Ministry of Finance will seek better tax collection and the termination of tax evasion.

Free Bank

On the other hand, the finance minister stated that the Bank of Guatemala will not be nationalized, because it is believed that a free bank can contribute to better development of the country.

9545

CSO: 3010/2043

REDUCTION OF EXPORT QUOTA AFFECTS COFFEE INDUSTRY

Guatemala EL IMPARCIAL in Spanish 10 Jul 82 pp 1, 2

[Text] About 61,000 gold quintals of coffee were reduced from Guatemala's international quota during the fourth quarter, July to September 1982, with which our country finds itself appreciably affected because its export rights are reduced.

The National Coffee Association [ANACAFE] reported that this provision was adopted through the international agreement, "since for 15 consecutive days the average price was about \$1.20 per pound, and on 7 July it declined below that price, so that the reduction occurred automatically."

ANACAFE added that the aim of this provision is, through withdrawing coffee, to make the price react as much as possible. If this does not happen, and the price prevails in these conditions during the next 15 market days, then a new reduction would occur, ANACAFE pointed out.

ANACAFE recalled that during the previous quarter a similar situation also occurred, for which reason a reduction of the same size had to be applied. That is, taking into account the previous reduction and that of 7 July, Guatemala has seen its export possibilities reduced by 121,608 gold quintals.

But ANACAFE emphasized that this mechanism was already foreseen, for which reason such reductions will not affect the exports already distributed among the producers for the fourth quarter.

"This would be so even in the event that, if the price did not recover, a new reduction would occur, which would be less than the present one and the last of the coffee growing year under way, because more than two reductions cannot be applied during a quarter, and with the quarter that is elapsing, the coffee growing year is finished," the ANACAFE authorities finally stated.

9545

CSO: 3010/2043

HOYTE REPORTS STEPS TO BOOST PUBLIC, PRIVATE SECTORS

Georgetown GUYANA CHRONICLE in English 14 Aug. 82 p 1

[Text]

Vice-President for Economic Planning and Finance, Desmond Hoyte has announced a range of economic measures aimed at improving the performance of both private and public sectors.

Addressing the 12th Annual General Meeting of the Guyana National Co-operative Bank, Cde. Hoyte stressed that the Private Sector enjoys the goodwill of government and that if businessmen want to invest locally there are numerous mechanisms already existing to facilitate them.

As additional measures, Government has set up an Export Promotion Council, which meets for the first time on August 19 and an Industrial Development Council which is to be launched by the middle of next month. A Consultant is to be engaged to amplify the Industrial Incentives Code, and the monthly meetings between Manufacturers and Government which had lapsed would be resumed.

In terms of the Public Sector, the Vice-President said that a high level organisation is being contracted to look at its performance with a view to recommending measures for its improvement.

He described the Public Sector as experiencing problems of equity and capitalisation. Government will provide \$475 million as financing for Guymine, Guysuco and GRB. The necessary legislation is to be considered by Parliament next week. This signifies that Government will assume the indebtedness of these corporations to the commercial banks and not the creation of fresh capital.

He said that the problems in the private sector arose in part from too much borrowing.

Cde Hoyte emphasised that there would be no ideological retreat by the government nor any dismantling of the Public Sector. Government remains committed, he declared, to a trisectoral economy.

CSO: 3025/424

TRADE UNION HEAD HITS BURNHAM FOR SLIDE IN ECONOMY

Port-of-Spain TRINIDAD GUARDIAN in English 11 Aug 82 p 18

[Text]

BRIDGETOWN,
Tues.,
(Cana):

HEAD of the
Guyanese trade union
"Right To Work,"
Paul Tennassee, today
accused the Forbes
Burnham Government
of pushing the South
American Republic
back towards "the
Stone Age."

Mr. Tennassee, said that living conditions in Guyana has degenerated, with the slide accelerating in recent months.

Supplies of electricity, cooking gas and a range of food stuff were woefully inadequate, as Mr. Burnham's People's National Congress (PNC) faced up to an economic crisis, the unionist remarked.

He said that 40 per cent of Guyana's population of slightly under one million was out of work.

"Each advance under the PNCs towards the Stone Age and any attempt to survive within that process is considered adaptable

technology," Mr. Tennassee said.

"They rationalise their backwardness as appropriate to third world countries."

Mr. Tennassee arrived here to brief Barbadians on developments in Guyana and what his four-month old trade union perceives as solutions to the problems. He has already visited Jamaica, and from here he goes to Trinidad and Tobago.

Mr. Tennassee said his union was committed to seeing the PNC removed from office either through internationally supervised general elections, or through public pressure, including nation-wide strikes.

He brushed aside a suggestion by the Guyana Council of Churches that the PNC should make way for a coalition government in which it was a part. The council made the recommendation with a view to helping pull the country out of its economic problems.

"I don't believe a coalition would solve the problem," Mr. Tennassee said.

He called on Caribbean countries to offer some form of solidarity support to the Guyanese in their struggle against the PNC.

He suggested that Caribbean and other countries should be included in a temporary United Nations Force which the group wants to supervise Guyana while the Co-operative Republic prepares for elections.

"There should be a temporary administration of Guyana constituted by five countries under the auspices of the United Nations to include three Caribbean countries, one Latin American country where there is a democracy and one from North America," he suggested.

He said the supervisory force would not include any of the super powers.

Mr. Tennassee, an Oxford university trained political scientist and a Guyanese historian, is a former research fellow at the University of Guyana, and the founder of the Overseas-based Guyana Research and Representation Services

CSO: 3025/423

GOVERNMENT WILL ACT TO CURB GROWING THEFT OF FARM PRODUCE

Georgetown SUNDAY CHRONICLE in English 15 Aug 82 pp 1, 2

[Text]

Government is giving serious consideration to the setting up of special courts in the Regions to try persons accused of predial larceny, Vice-President Hamilton Green announced yesterday.

The Government, he told a press conference at the Film Centre, also intends to redefine the laws governing predial larceny as part of its campaign to curb the growing prevalence of the stealing of farmers' produce.

In addition, the Minister of Home Affairs will shortly sign an order which will give policemen wider powers to cope with the situation.

Predial larceny, he contended, is a serious "impediment" to the growth and stability of the country.

According to the provisions of the order to be signed by the Home Affairs Minister, he said, persons found in possession of agricultural produce for sale will have to provide proof of ownership or of lawful acquisition.

His Ministry, he said, is in the final stages of preparing a list of commodities which will be regarded as "produce". The list will also assist the Attorney-General's Chambers to enumerate and define clearly the meaning of produce in order to assist the Police in making

successful charges.

In the past, he noted, many thieves escaped conviction because the term "produce" was not clearly defined in the country's laws.

Cde Green commended farmers for their efforts to increase agricultural production. He noted, however, that their efforts are often frustrated by thieves.

He said consideration is being given to the setting up of the special courts in the Regions with a view to expediting proceedings against those charged with predial larceny.

The Commissioner of Police, Cde Lloyd Barker told the press conference that the current situation, though serious, does not warrant a wholesale issuing of firearms licences to farmers.

Often, he noted, the thieves were not armed and many farmers stole from one another.

In an effort to deal with the situation, he added, policemen are being sensitised about the importance of curbing the stealing of farmers' produce.

In reiterating that the Guyana Government places great emphasis on agriculture, Vice-President Green explained that during the period January to July this year Government spent over \$35 million on agri-based Capital projects.

The Guyana Co-Operative Agricultural and Industrial Development Bank (GAIBANK), he added, expects to lend about \$8 million by the end of the year for the Food Crop Marketing Programme.

The Vice-President observed that, although there is increased cultivation in the urban areas, residents still need to redouble their efforts to stimulate food production.

Only ample supplies of food on the market can help to reduce the current high prices being demanded for certain vegetables, he contended. Price control is not the solution to the problem, he stressed.

In a warning to the owners of "idle land" Cde Green emphasised: "What you don't use, you can lose."

CSO: 3025/424

GOVERNMENT FORMS EXPORT CONTROL COUNCIL FROM PUBLIC, PRIVATE SECTORS

Bridgetown ADVOCATE-NEWS in English 4 Aug 82 p 3

[Text]

GEORGETOWN, Guyana, Wednesday (CANA) — The Guyana Government says it will establish an Export Promotion Council.

The council, to comprise representatives of private and public sector agencies will be mainly geared at "strengthening the export sector, particularly in the area of non-traditional exports," according to a statement from the Ministry of Economic Planning and Finance.

"The council will be established initially on an informal basis, but the necessary legislation is already being prepared to give legal status to the council," the ministry said. Twelve organisations, in-

cluding the Guyana Manufacturers' Association and the Guyana Chamber of Commerce, are to be invited to the first meeting of the council, tentatively scheduled for August 19.

The council will also "advise on the development of appropriate export policy, assist exporters in improving their marketing capabilities, co-ordinate the national export efforts and collect and disseminate information of interest to exporters."

A spokesman for the Chamber of Commerce told CANA that this organisation had not yet received the invitation but that the chamber would consider favourably any offer to hold dialogue with the government on improving Guyana's export possibilities.

CSO: 3025/423

UP-DATED LIST OF CONSUMER ITEMS BANNED FOR IMPORT ISSUED

Bridgetown ADVOCATE-NEWS in English 6 Aug 82 p 1

[Text]

GEORGETOWN, Guyana, Thursday (CANA) — The Ministry of Trade here has published an up-dated list of consumer items, the importation of which into Guyana is "completely prohibited."

A notice carried in today's state-owned Chronicle newspaper advised the public "to note them carefully" as importation, possession, or trade in the mentioned commodities was illegal.

Included on the list are frozen or canned meat of any kind, salted or canned fish or fish preparations of any kind, all bakery products including bread or biscuits in bulk or in small packages, cereal preparations, sweet corn and all edible nuts.

The other banned items are: Fruit of all kinds, jams, marmalades, fruit juices or syrups, fresh and dried vegetables, all soups and vegetables, juices or dehydrated vegetables, all kinds of sugar confectionary including chocolates and toffees, alcoholic beverages including sparkling wines and

champagne, distilled alcoholic beverages including gin and vodka, paints and enamels, washing detergents, bed table or kitchen linens of any material, louvre glass, aluminium or other non-ferrous materials including assembled structures, filing cabinets, all office furniture, chairs, of any kind, wooden furniture and fixtures.

The notice said that in a circular to members of the Police Force some weeks ago, "law enforcement authorities stressed the need for greater vigilance and firmness on the part of police."

"Police have been instructed to vigorously pursue the elimination of the contraband trade and there have been a number of arrests of persons found in possession of uncustomed and prohibited goods," it added.

Some 50 street vendors have been fined in the last few days for the sale of contraband goods on city pavements and the authorities have warned that members of the public buying prohibited goods are also liable to fines and imprisonment.

CSO: 3025/423

SUGAR ESTATES TRUCK BY WORKERS PROTESTING SHORTAGES

Port-of-Spain TRINIDAD GUARDIAN in English 13 Aug 82 p 5

[Text]

GEORGETOWN, Thurs; (Cana):

THREE SUGAR estates in Guyana's East Berbice region have been hit by one-day wildcat strikes as workers protest the shortage of essential food items, according to the state-run Guyana News Agency.

Workers at Albion-Port, Mourant and Rose Hall estates went on strike on Monday and were followed Tuesday by those at Skeldon, who staged a picket exercise to coincide with the visit to the estate of the Guyana Sugar Corporation (GUYSUCO) chairman Harold Davis.

A GUYSUCO spokesman told Cana that some sugar workers at Enmore on the east coast of Demerara also went on strike protesting the lack of food items.

The Guyana Government is bankrupt, and this has led to severe shortages of flour, peas, butter, milk, salt, cooking oil numerous other essentials have been placed on a "contraband"

A spokesman for the Guyana Agriculture and General Workers Union (GAWA) which represents sugar workers said the union had not called the strikes and protests.

He said the organisation's central offices were

awaiting reports from its field officers in the Berbice region.

Speaking at the annual general meeting of the Sugar Corporation last weekend, Agriculture Minister, Vice-President Hamilton Green stressed that nothing should be allowed to disrupt GUY-SUCO's ability to earn much needed foreign exchange since any such interference would seriously affect the country's ability to import items such as flour.

Sugar is one Guyana's three leading hard currency earners. The other two are bauxite and rice.

CSO: 3025/423

SUGAR PRODUCTION PASSES QUOTA FOR FOURTH WEEK STRAIGHT

Georgetown SUNDAY CHRONICLE in English 15 Aug 82 p 1

[Text]

For the fourth consecutive occasion in five weeks of operations, the sugar industry has surpassed its weekly production estimate.

Last week, with all of GUYSUCO's 10 sugar factories in full operation - Diamond having commenced grinding during the week - the industry produced 9,145 tons sugar. This exceeded the week's estimate of 9,085 tons by 60 tons.

The crop's total which now stands at 32,575 tons, has pushed the year's total to 119,430 tons.

Rose Hall, Blairmont, LBI, Wales, Leonora and Uitvlugt estates have each surpassed their estimate for the week and have therefore earned placements on the Corporation's honours roll. Their figures are:

ROSE HALL - 1,420 tons, which is 220 tons above its estimate of 1,200 tons;

BLAIRMONT - 810 tons which is 10 tons above its estimate of 800 tons

L.B.I. - 980 tons which is 145 tons above its estimate of 835 tons;

WALES - 990 tons which is 90 tons above its

estimate of 900 tons;

LEONORA - 535 tons which is 85 tons above its estimate of 450 tons; and

UITVLUGT - 675 tons which is 25 tons above its estimate of 650 tons.

There were strikes lasting two days at Albion and one day at Uitvlugt.

Skeldon, Albion, Port Mourant and Enmore estates were singled out for Honourable mention.

The Corporation noted that, despite rainfall during the week, the weather continues to be favourable for harvesting.

"It will therefore be in the interest of all workers to turn out regularly and make the best use of the good conditions and earn for themselves additional monetary rewards in the form of monthly Incentive payments and Annual Production Bonus," a spokesman declared.

Meanwhile, the Chairman of GUYSUCO has been visiting sugar locations to observe production operations and also to assist and reinforce estates' administration.

GAIBANK REPORT SHOWS ACTIVITY UP IN FIRST HALF OF 1982

Georgetown GUYANA CHRONICLE in English 14 Aug 82 p 3

[Text]

Agriculture, mining, forestry, fishing and manufacturing are some of the economic activities which have benefited from \$11.4 million in loans disbursed by the Guyana Co-operative Agricultural and Industrial Development Bank (Gaibank) from January to June this year.

A review of the bank's operations for the first six months of this year showed that the amount disbursed during this period is about \$0.3 million more than was disbursed during the corresponding period last year.

Agriculture accounted for \$7.4 million compared with \$7.3 million during the January to June period last year.

The number of Guyanese entrepreneurs utilising the bank's services has rapidly increased. From January

to June this year, the bank received 1345 loan applications worth \$22 million, surpassing the 1130 applications received for the whole of 1981.

Review of the loan applications received for the first six months of the year showed 351 were for agricultural project, 307 for industrial projects and 687 for special projects including food crop activities.

In addition, Gaibank approved 788 loan applications valued at \$19.4 million compared with 600 valued at \$18.0 million for the same period last year.

A senior official of the Bank explained that disbursements of a number of loans have been delayed because of the unavailability of inputs such as fertilizers, machinery and other equipment.

CSO: 3025/424

BAN ON WEEKEND SALE OF GAS, KEROSENE LIFTED BY CABINET

Georgetown GUYANA CHRONICLE in English 12 Aug 82 p 1

[Text]

THE controversial ban on the sale of gasoline and kerosene at weekends is to be lifted shortly in keeping with a decision taken by Cabinet.

The ban was introduced by Government in 1980 with a view to conserving on the use of fuel, in the face of the international energy crisis and the country's spiralling oil bill.

It is not known when the Cabinet's decision would be implemented. It is also not known whether the ban would be lifted merely as a temporary measure.

The decision to lift the ban, it was explained, was based on recommendations submitted by local energy officials who recently completed an in-depth analysis of the effects of the ban with special reference to the Government's decision to slash the importation of fuel by 10 per cent this year.

The decision was based also on the contention that there has been some improvement in the fuel conservation practices by members of the public. According to one energy official, the response to

the 10 per cent cutback has been "reasonably favourable."

This 10 per cent slash in the importation of fuel, it was explained by energy officials, is in itself a major check on the amount of fuel being utilised locally.

The decision to lift the ban, they explained further, does not imply a slackening of efforts to conserve fuel.

The effectiveness of the ban has been a hotly debated issue since its introduction two years ago.

From the early stages, attention was focused on the ability of the law officers to enforce the ban.

It was also widely known that in the case of the sale of gasoline owners of vehicles — private and hire — got around the ban by ensuring that they procured extra quantities of the item on Friday nights.

LACK OF FOREIGN EXCHANGE BLOCKS GOODS IN PORT

Port-of-Spain TRINIDAD GUARDIAN in English 9 Aug 82 p 5

[Text]

GEORGETOWN, Sun., (Cana):

THOUSANDS of cartons of powdered milk from Canada and 25 buses from Brazil are piled up on wharves in Georgetown because the country has no ready foreign exchange to pay for them, according to the State-owned "Chronicle" newspaper.

The paper quoted a Government official as saying that the 12,000 cartons of milk had arrived earlier this month but efforts to establish letters of credit arrangements "proved difficult".

He expressed fear that the milk would be pilfered by persons who could resell the five pound (G) \$120 (TT \$94.80) tins at a street price of up to (G) \$50 (TT \$39.50).

The Mercedes Benz vehicles are the first of 50 buses being acquired by the Guyana Government under a line of credit from Brazil.

"The Central Bank is unable to deposit a mandatory 10 per cent in the Bank of Brazil to allow the State-owned Guyana Transport Service (GTSL) to uplift the

buses, "The Chronicle" said.

"The GTSLs operating fleet numbers just over 60 buses, more than 50 short of a satisfactory operating strength."

The paper reported that a meeting had been held between the bus company and Prime Minister Dr Ptolemy Reid earlier in the week to discuss the bus problem but that the results of the meeting had not been made public.

Government officials said that stocks of imported powdered milk had been exhausted.

Several other items are reported to be in short supply or unavailable because of the country's foreign exchange crisis.

CSO: 3025/423

STATE-RUN AIRLINE REPORTS NONFATAL CRASH IN INTERIOR

Bridgetown ADVOCATE-NEWS in English 6 Aug 82 p 3

[Text]

GEORGETOWN, Guyana,
Thursday; (CANA) —

The state-run Guyana Airways Corporation yesterday acknowledged the crash landing last Friday of one of its two Hawker Sydley 748 aircraft at Lethem Airstrip, in the interior, 250 miles south west of Georgetown.

GAC General Manager Bob Dornford told CANA the twin engine propeller plane carrying a full complement of 48 passengers and two pilots had landed without the wheels being lowered and had skidded to a halt without overturning.

"None of the passengers or crew were injured, but the propellers and engines were damaged beyond repair and the undercarriage will need extensive repairs before the plane flies again," he said.

He declined to comment on how the accident took place pending a full investigation, but was emphatic that it was not due to any technical or

mechanical malfunction of the plane.

Reliable sources told CANA that the pilots had lowered the wheels for landing but had raised them again to make a low pass over the runway after some cattle had strayed onto it.

When the aircraft turned and came in to land, the pilots failed to get the wheels to lower a second time and the plane crash landed, the sources said.

"The pilots did very well to control the plane on even keel and prevent a catastrophe," Mr. Dornford however said.

Meanwhile, the airport has been closed to larger aircraft while efforts are being made to raise the plane with air bags under the wings prior to its removal from the runway.

Flights by GAC's other HS 748 to Boa Vista in nearby Brazil that normally stop over in Lethem are temporarily flying directly there from the Timehri Airport.

CSO: 3025/423

BRIEFS

ELECTRICITY PAYMENT PLAN--GEORGETOWN, Guyana, Thursday, (CANA)--Guyana Government ministries and departments are to pay their quarterly electricity bills in advance, in a cost-cutting experiment, an official of the Ministry of Finance has said. One of the aims of the plan is to conserve electricity used by Government ministries. Permanent secretaries and heads of government departments will have the responsibility of monitoring the use of electricity to ensure consumption must not surpass limits already agreed to with the Guyana Electricity Corporation, the state owned Chronicle has reported. "Should their targets be exceeded, permanent secretaries and heads of departments would have to explain the over-consumption and the department would probably have to approach the central government for further financing," the Chronicle quoted the Finance Ministry official as saying. The conservation may also help to reduce the weekly schedule of load shedding due to the inability of Guyana's power plant to meet local demand. Guyanese have been experiencing regular six-hour power outages in most parts of the country as the state run electricity company works to repair and replace its rundown generating equipment. [Text] [Bridgetown ADVOCATE-NEWS in English 6 Aug 82 p 3]

FERRY SERVICE--GEORGETOWN, Guyana Saturday (CANA)--Guyana and Suriname have agreed to establish a joint ferry service to cut the travel time between the two countries across the Corentyne River. The project, costing \$20 million, is being financed by the European Development Fund (EDF) and is expected to become fully operational by 1984. The protocol was signed in Georgetown earlier this week between officials of the Guyana Ministry of Economic Planning and Finance and the head of the Suriname delegation, Robert Goedhart. Under the agreement, the present three-hour trip by launch from Springlands in eastern Guyana to a port on the Nickerie river in western Suriname, will be reduced to a 20-minute run across the Corentyne, a spokesman said. An estimated one-year feasibility study of the project will be carried out at the request of the EDF, officials said. The proposed ferry is to carry the equivalent of 20 cars and 150 passengers. [Text] [Bridgetown SUNDAY ADVOCATE-NEWS in English 8 Aug 82 p 3]

REGIONAL DEVELOPMENT ASSESSMENT--REGIONAL Chairmen and their Deputies will meet in Georgetown on August 26 to review the functioning of the system of regional development. The on-day conference is being convened at the request of the National Congress of Local Democratic Organs (NCLDO), whose responsibilities include the supervision, monitoring and evaluation of the regional system.

Discussions will focus on the operations of Regional Administrations, Regional Democratic Councils and the NCLDO, the relationship between regional institutions and rural-based public and private sector agencies, and the role of the National and Regional Development Ministry in channelling central government assistance to the regions. The conference will also take an indepth look at some of the major problems and constraints affecting the thrust towards regionalisation and regional development, particularly those experienced by farmers and other rural inhabitants in the new regional structure. NCLDO Chairman, Hulbert McGowan said the August 26 conference will be a follow-up to discussions held last November among regional representatives. The upcoming conference will be held in the conference room of the Office of the Prime Minister in Public Buildings. [Text] [Georgetown GUYANA CHRONICLE in English 13 Aug 83 p 4]

SOIL TREATMENT IMPORTS--THE Guyana Sugar Corporation (GUYSUCO) will be importing limestone from Curacao instead of aragonite from the Bahamas for soil treatment on its sugar estates. A senior official of the corporation said the new arrangement will result in saving in shipping and transshipment costs. He explained that Curacao is nearer to Guyana than the Bahamas, therefore the freight cost will be less. In addition, the limestone can be shipped in smaller vessels which can take the mineral directly to the Berbice sugar estates. Formerly, the aragonite imported from the Bahamas was shipped to Guyana in large vessels which could only be accommodated in the Demerara River, the official said. The mineral was then unloaded on to smaller ones for shipment to the various sugar estates. GUYSUCO normally imports 24 000 tonnes of aragonite annually. [Text] [Georgetown GUYANA CHRONICLE in English 13 Aug 82 p 8]

COFFEE EXPORT--GEORGETOWN, Thurs., (Cana)--GUYANA will soon be sending \$18,000 kilograms of local coffee beans to Jamaica to be processed into instant coffee according to the president of the State-run Guyana Marketing Corporation (GMC), Tommy Rhodes. The shipment will reduce the current pile up of some 83,250 kgs of coffee beans at the GMC. The overload, Rhodes explained, has resulted from the closure of a U.S company which formerly processed Guyana coffee beans and it was not until early this year that the GMC was able to finalise arrangements with Salada Foods of Jamaica to take over the processing. Mr. Rhodes said that 5,886 cartons of Guyana instand coffee here are awaiting the completion of financial and transportation arrangements before being shipped to Jamaica. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 13 Aug 82 p 5]

CSO: 3025/425

MEASURES, ABUSES IN VOLCANO VICTIM RELIEF PROGRAMS

Misappropriation of Aid Charged

Tuxtla Gutierrez LA VOZ DEL SURESTE in Spanish 16 Jul 82 p 9

[Text] Ixtacomitan, Chiapas--Silvino Reyes Calderon is the name of the representative of the Pact for Municipal Confidence in Pichucalco and a protege of Manuel Carballo Bastard, the municipal president of that place, who has been trading in food, medicine and construction materials for those affected by the volcano Chichonal.

This was the accusation against him by a large group of peasants interviewed shortly before leaving for Tuxtla Gutierrez, where they were traveling in order to inform national authorities of these abuses that Reyes Calderon has been committing.

In addition, they noted their annoyance with the fact that Silvino has been telling his friends that he already has the municipal presidency of this town "sewed up," because he has the support of his "godfather" Manuel Carballo Bastard, who finds himself in a good position acting as a candidate for substitute federal representative.

Those whom we interviewed stated that they would speak with the national governing committee of the Institutional Revolutionary Party in order to warn them about this person so that they do not nominate him to be their candidate for the municipal presidency, because it would constitute a step backward for the population of Ixtacomitan.

SAHPO Measures

Mexico City UNOMASUNO in Spanish 11 Aug 82 p 5

[Text] In the state of Chiapas the SAHOP [Secretariat for Human Settlements and Public Works] is constructing 569 dwellings in order to relocate 3,330 inhabitants affected by the eruption of the volcano Chichonal.

Also, as reported by Manuel Velazquez Carmona, under secretary for Immovable Property and Urban Works, 47 systems for pumping potable water are being

repaired in an equal number of localities affected by the volcanic ash in the state of Tabasco. Of this number, 32 have already been installed and work on the rest is 85 percent complete.

This work is part of the Overall Emergency Program for Chichon being carried out by SAHOP and other agencies of the federal executive.

The official indicated that 1,600 inhabitants will be relocated in 276 dwellings on 11 hectares of the locality of Rayon in the municipality of the same name, and another 1,700 inhabitants will be moved to 280 dwellings on 17 hectares of El Naranjo in the municipality of Tecpatan.

Ninety-six million pesos are being invested in constructing the dwellings and in the urbanization of the localities, of which 47 million are being applied in Rayon and 49 million in El Naranjo.

Velazquez Carmona indicated that the urbanization work involves the construction of access roads, preparing and paving streets, the installation of a potable water network, electrification, public lighting and division into lots.

He also reported that potable water service has been completely restored in the 24 municipalities most affected in Chiapas, and work is continuing in repairing, developing and improving systems and in expanding distribution networks.

This work is 70 percent complete and will increase the flow to 60 liters a second, benefitting 67,900 inhabitants.

The official added that in Pichucalco, Chiapas, the drainage has already been repaired and protective works are now 70 percent complete, and in Tabasco work is continuing in the localities of Villahermosa, Cardenas, Macuxpana, Emiliano Zapata, Cunduacan and Comalcalco, with 85 percent of the work complete overall.

Finally, he said that work is continuing on reconstructing six damaged temples in Chiapas, for which wooden roofs will be provided and the damaged walls will be repaired.

9746

CSO: 3010/2116

STEEL PRODUCTION TO BE REDUCED

Mexico City UNOMASUNO in Spanish 10 Aug 82 pp 1, 10

[Article by Abelardo Martin]

[Text] In the most serious crisis in its history, the national iron and steel industry--second in importance only to petroleum--initiated a program to adjust production, brought about by a drastic fall in demand that increased inventories of steel products to their highest level, implying that the excess must be sold abroad, at the same time that small and medium-sized laminating plants have closed their doors in response to the situation in the country.

Gustavo Cortes Fuentes, president of the National Chamber of the Iron and Steel Industry, said that given the strategic value of steel--in the midst of world-wide economic contraction--the programs to expand the iron and steel industry will not be suspended.

Nevertheless, he announced some agreements on shutdowns, elimination of one of the three shifts being worked in the enterprises, placement of surpluses on the world market and a reduction in production of 10 to 12 percent, in order to avoid the crisis.

He explained that as a consequence of reduced demand the steel industry accumulated inventories of 600,000 tons--4 months production--principally in components for the construction industry.

That is the reason why the public and private iron and steel enterprises cut production in the first half of the year by 5 percent, a figure that will be maintained during the coming months in 1982.

In addition, negotiations were begun for sales of iron and steel products to Iraq, the Philippines, Egypt and other countries, for a total of almost 400,000 tons. The most significant inventories, said Cortes Fuentes, are in construction components.

This reduced demand, on the other hand, will permit the iron and steel sector to even out its traditionally negative trade balance. This year equilibrium

is expected between purchases and sales, following a 1981 deficit of 2,500,000 tons, valued at 53 billion pesos (in 1981 prices).

Nevertheless, the job of marketing Mexican products abroad involves very important work, due to the country's lack of a solid image in world markets. At this time the principal iron and steel producing countries have stopped their expansion programs on account of the world economic slump.

In this regard, Cortes Fuentes indicated that in Mexico expansion projects are being maintained for Lazaro Cardenas-Las Truchas Iron and Steelworks, Mexican Blast Furnaces, Mexican Steel Pipe S.A. and for Tin Plate and Sheet S.A. (Hylsa), so that at the latest by 1985 there will be an additional installed capacity of almost 5 million tons of steel.

As soon as the world economy turns around, demand for iron and steel products will increase and steel will be a valuable article in the world market, the director of the Iron and Steel Chamber assured.

A large part of the investments for these projects has been contracted independent of the priority given by the federal government to the public and private iron and steel industry. Many of the projects, as in the case of Mexican Blast Furnaces in Monclova, Coahuila, have made considerable progress in the construction and installation of plant and equipment.

With the economic measures that have been adopted we are currently highly competitive in the international market and we have the opportunity to solidify our image in the market, according to Cortes Fuentes.

In speaking of the crisis in the iron and steel industry, he reported that this year's decline in production is estimated at a little over 800,000 tons, which makes necessary concerted shutdowns--the elimination of the third shift within an integral program for adjusting production. It is mainly, he insisted, a matter of adjusting supply to the demand for products in the construction industry, which has experienced the greatest fall in demand.

There is a reorientation in expenditures, the official added, that also has an effect on the consumption of durable goods--primarily appliances and automobiles--and in construction, where inventories reached record levels.

This situation will permit the gradual replacement of imports, especially in rolled steel. He acknowledged that plant productivity, 80 percent under normal conditions, fell to 75 percent in the first 6 months, a figure that could be maintained for the rest of the year.

All measures have the objective of avoiding layoffs and adjusting production to the fall in demand in the current economic and financial situation being experienced by the country.

He also said that in this sort of situation the small-sized relaminating plants generally shut down, something that has already occurred on many occasions

without having a great effect on production or employment, since involved are plants employing an average of three to four persons.

Finally, he referred to the prices of steel products and he emphasized that for a long time they have remained below the rate of increase in real costs, which affects the profitability of the enterprises.

The financial situation for both public and private enterprises is extremely difficult on account of their debt structure, mainly in foreign exchange, even though they will receive preferential treatment in fulfilling their commitments.

9746

CSO: 3010/2116

BIG JUMP IN BASIC FOOD PRICES DETAILED

Mexico City NOVEDADES in Spanish 8 Aug 82 p 6

[Article by Jose Consuelos Garcia and Maria Teresa Garcia Herrera]

[Text] The products and items that have experienced the sharpest upsurge in prices during the last few days are: tomatoes, cooking oil, powdered milk, beef, pork, fruits in season, pasta, fish, and chicken, among others.

Greediness, however, is not restricted to food merchants. Rates charged for riding in "peseros", or fixed-rate taxis, were upped by more than 10 pesos, and the prices that private citizens were allowed to charge when selling their autos at weekend markets were so high, especially for compacts, that they scared off prospective buyers. A vacuum cleaner that last week cost 6,320 pesos now costs 12,300.

During a NOVEDADES survey of assorted representative markets, so-called markets on wheels, and self-service stores, it was determined that prices have definitely reached their highest point ever and merchants have not agreed on any uniform prices, so they vary from one place to another. Some merchants have gotten to the point where the consuming public has sworn that it will only buy products that are on sale. Because of this, merchants have taken to putting red tags, which are usually used for sale items, on miscellaneous food products, such as cans of tomato puree that last week cost 24.40 pesos and this week cost 30.90 pesos.

Indiscriminate Increases

Moreover, according to SECOM [Secretariat of Commerce], the officially pegged price for cooking oil is 56 pesos per liter. Nevertheless, since Monday, 2 August, it has been raised to 64 and 67 pesos per liter without notice and apparently without official authorization. In some places, its sale is conditioned by buying other items.

In spite of the fact that tomato producers announced that there was a bumper crop this year, and in spite of the fact that there are tons of surplus (since what was to be exported to the United States was rejected due to sanitary regulations in our northern neighboring country and therefore had to

be distributed for sale in our country), tomatoes cost 22 to 24 pesos per kg in some markets and 41.90 to 48.50 pesos in self-service stores.

As far as meat prices are concerned, even though the authorities say that its price is controlled, the truth is, it is not controlled. While the large self-service stores more or less have comparable prices, in the neighborhood markets and butcher shops prices vary widely, depending on the cut of the meat and the area where it is purchased.

It must also be mentioned that sugar continues to be sold at 12.50 per kg, and there is sufficient supply to cover demand. There are, however, always boarders and merchants lacking scruples who either hide it or sell it with strings attached.

Product Relabeling

It was proven without a doubt that, in the large shopping centers, they re-labeled most of the goods, except those products whose prices are controlled by SECOM, such as sugar, rice and beans, among others.

Some housewives who were questioned on this matter said that they had bought groceries last week at one price and that already, as of this Monday, those same items had been raised. They insisted that when they protested, merchants would merely respond cynically by saying that those increases were due to new gasoline, natural gas, and electricity hikes authorized by the Commerce Department the night before and that they were hard hit by those new rates.

Price Comparison

When comparing the prices of commodities that are part of the people's diet, not those being charged at self-service stores or markets, but those being charged by stores that have had to weather the gasoline, natural gas, and electricity hikes last week and now, only one thing becomes clear: price increases have been considerable and have seriously affected the working classes.

Vegetables: Carrots, which last week went for 29 pesos per kg, now go for 40; onions were upped from 6 to 24; green chiles jumped from 40 to 80 per kg; potatoes rose from 22.90 to 40; avocados went from 66 to 120 pesos; squash went from 20.80 to 29.70; green tomatoes went from 25 to 35.80 pesos; dried red chiles went from 32 to 40; and chayote jumped from 21.40 to 28 pesos.

Fruits: Mangos rose from 24.60 to 35 pesos per kg; grapes went from 31.50 to 35 pesos; peaches went from 68 to 94.90 pesos; melons jumped from 34.80 to 90 pesos; oranges increased from 24.70 to 26 pesos; bananas went from 14.90 to 20 pesos per kg; and guavas jumped from 40 to 70 pesos per kg.

Meat: Beef filet went from 340 to 380 pesos per kg; stew meat jumped from 199 to 269; ground beef went from 125 to 139; chicken went from 99 to 121;

and pork chops went from 180 to 199 pesos. Fish: Filet of sea bass went from 180 to 209; filet of mojarra went from 150 to 179 pesos; catfish went from 40 to 49.90; and crab went from 45 to 49.90 per kg.

As we can see, there is chaos in the pricing of food products that are essential to the people.

9983

CSO: 3010/2128

CHIHUAHUA PEASANTS SEIZE LAND

Mexico City UNOMASUNO in Spanish 30 Jul 82 p 7

[Text] Chihuahua, Chih., 29 Jul--Availing themselves of the words of Jose Lopez Portillo that, "It is a crime against our nation to have land and not make it productive," over 250 peasants having the support of the FAT [Authentic Labor Front], the PMT [Mexican Workers Party], the PSUM [Unified Socialist Party of Mexico], and the PST [Workers Socialist Party] seized 12,000 hectares of the old Chavez ranch in the municipality of Gomez Farias. The land seized was under protection of unmortgageability, a status enjoyed by Luis Orozco Mendoza.

The incident was reported by the state director of the FAT, Jose Lujan Lujan, who pointed out that the peasants, who were from the community of Socorro Rivera--a name given it in honor of the [man] who began the expropriation of the Bavicora estate--have been applying for possession of the land of the old ranch since 1959 and, fed up with SRA [Secretariat of Agrarian Reform] negligence, decided to seize it.

The peasants claim that the unmortgageability status of the land that Orozco Mendoza enjoys was granted without an analysis of the property seized, which is a fundamental condition, and is therefore fraudulent, since the owner stated that, "The property is grazing land," when it is actually farm land.

There are some 3,000 heads of cattle grazing on the property taken over, which is absurd for 12,000 hectares, according to the invaders.

The Secretariat of Agriculture and Water resources reported that special engineers have been sent out to perform a soil analysis to determine if the property is grazing land or farm land.

No complaint has been filed by the owner of the land seized; nevertheless, state police agents are patrolling the premises.

9983

CSO: 3010/2128

BRIEFS

CHARGES OF MILITARY ABUSES--Chihuahua, Chih. 28 Jul--The National Antirepression Front, the local Pro-Amnesty Committee, and several political parties yesterday told Governor Oscar Ornelas in person that six Indians were tortured and one mestizo was murdered 3 months ago by a military patrol looking for weapons during a gun confiscation campaign. Tarahumara Indians Victoriano Julian, Francisco Loeras, and Pablo Soria Torres stated that the incident took place in the villages of Rincon de Alisos, El Chapote, and Chicuras, the municipality of Guadalupe, and Calvo, 20 minutes by highway from this city. They then spoke up for the human rights of the Indians. The director of the local Pro-Amnesty Committee, Minerva Armendariz, submitted a document in which she demanded proof that the incidents took place, the cessation of all forms of repression, torture and threats issued against the communities of the Sierra Tarahumara, an explanation of the concrete cases that become public knowledge and punishment for those who are guilty. Representatives of the Unified Socialist Party of Mexico and the Revolutionary Workers Party were present there with the denouncers. [Article by Alejandro Irigoyen] [Text] [Mexico City EXCELSIOR in Spanish 29 Jul 82 p 34] 9983

FOREIGN INVESTMENT CLAUSE CITED--Carlos Rojas, chairman of the Mexico-USA division of the Mexican Corporate International Affairs Council, stated that it is necessary to take advantage of the clause that authorizes using 100 percent foreign investment, which is conditioned fundamentally by the generation of jobs, to make up for the country's present insufficiency of funds. [Text] [Mexico City UNOMASUNO in Spanish 30 Jul 82 p 10] 9983

CSO: 3010/2128

BATTLE LINES DRAWN IN BREWING GOVERNMENT-MEDIA CONFRONTATION

Background Situation

Bridgetown ADVOCATE-NEWS in English 4 Aug 82 p 4

[Article by Dr. Ramesh Doesaran]

[Text]

A raging controversy has erupted between the ruling People's National Movement (PNM) and the newspapers of Trinidad and Tobago. The state-owned Trinidad and Tobago Television (TTT) has also been severely criticised by Prime Minister George Chambers for giving prominent exposure to Air Jamaica. Air Jamaica's plans for the Trinidad public were highlighted at a Jamaica High Commission-sponsored function held in Port of Spain recently.

Apart from Mr. Chambers, PNM Ministers — one after the other — let loose stinging attacks on the press for haunting the PNM government with "unfair and exaggerated criticisms," and at the same time, painting a "distorted picture" of the twin-island state. And as if to crown it all, the usually restrained President of this six-year old Republic, Mr. Ellis Clarke, also poured scorn over the writers and politicians who only preached "doom and gloom" for the country. But on each count, be it with Prime Minister, Minister, or the President himself, the newspapers have each retaliated sharply to the official attacks.

Pointing to the numerous areas of deficiency and the substantial coverage usually given to government officials, the newspapers have claimed

that they were merely performing their democratic right — describing the facts as they are. There is, of course, an almost natural adversary relationship between the government and the media in western democracies. A sort of watchdog's role, the media claim. But the government here now feels that there is too much unnecessary sniping by the media. And they have come out fighting to "put things right."

Warming up over the past two months, the current government-media row has been quite unexpected, and unusually acrimonious. In the first place, soon after he was nominated as successor to the late Dr. Eric Williams in March last year, Prime Minister George Chambers staged a press party where he warmly shook reporters' hands, invited them to "call on him" when necessary, and promised an "open government" with increased government-press contacts. Furthermore, just after the November 1981 general elections, when the PNM won 26 of the 36 seats, Mr. Chambers established a Ministry of Information and then pledged to "heal the wounds" inflicted on the country by the very bitter election struggle. So naturally, the media were taken aback, when "nice guy" Mr. Chambers, recently

addressing the PNM's Women League, lambasted the newspapers for the criticisms against his government, and went on to condemn the weeklies for printing "semi-nude" pictures of females as if they were trying to see "who could be nastier."

He then accused the television station of playing up Air Jamaica and the leaders from other countries while downplaying BWIA and the national leaders of Trinidad Tobago. In that same stern breath, he expressed displeasure that a Trinidad diplomat stationed in Jamaica should have assisted in the launching of the Air Jamaica flight to Trinidad.

Around that same time, and from PNM party group platforms across the country, at least four other government ministers unleashed direct attacks against the newspapers. Housing Minister Wendell Mottley, National Security Minister John Donaldson, Education Minister Overand Padmore, and Information Minister Muriel Greene, each openly chastised the Trinidad and Tobago press for "one-sided" criticisms of the government. The weeklies defended themselves in different ways. One editor said that Chambers could not be referring to his paper. Another weekly newspaper editor, Patrick Chookolingo, said that Mr. Chambers and his government were looking for scapegoats.

In any case, however, the

appearance of "semi-nudes" in the weeklies diminished considerably since Mr. Chambers' public observation. Incidentally, there is now a "war of the weeklies" in Trinidad since the owners of the property of which the Bomb is published seized it from Mr. Chookolingo who has gone on to open his own weekly, the "TNT Mirror".

There are now two dailies, the Trinidad Guardian and the Trinidad Express, and six weeklies in Trinidad and Tobago.)

The dailies, however, have kept up a sustained response through their editorials to Mr. Chambers and his team. A Sunday Guardian editorial criticised President Clarke for siding with government ministers on their attacks against the media. Trinidad Express Editor-in-Chief, Mr. Owen Baptiste, played up the philosophical view when he spent over 48 column inches in reviewing the democratic necessity of having a free and critical press in a free society. That is, if the society is to remain free.

The government-owned television station has responded by now including a picture of Mr. Chambers in its introduction to its regular nightly Panorama news programme. It must be noted, however, that for all their hue and cry, no government minister has called for legal measures against the press. A few PNM supporters however, have called for a "Code of Ethics" for journalists here.

At the same time, the dailies have been allowing full coverage of the views — anti-press and all of — government spokesmen. The media are also doing some introspection in Trinidad, journalists are completely disorganised. The Caribbean Press Council, according to one of its founders, Mr. Ken Gordon, should be doing "much more." There has been no organised professional journalist organisation. And the staff turn-over in newspaper offices here has been disturbingly high.

It is also widely regretted that ministers and other high government officials do not usually open their doors to press interviews and as such, it is claimed, the proper dissemination of information is adversely affected. So all in all, while the government-media clash has been quite noisy, it has provided each side with an opportunity to air its grievances.

It is now expected that once the sound and fury has died down, at least the government will be more prepared to pass on more information on policies and decisions for the press to help serve the public interest. As one news commentator observed, the government cannot have it both ways. They cannot expect to withhold information from the public and still expect a healthy press, or a healthy democracy for that matter.

Attorney General's Remarks

Port-of-Spain TRINIDAD GUARDIAN in English 9 Aug 82 p 1

[Article by Clewon Raphael]

[Text]

ATTORNEY General and Minister for Legal Affairs, Mr. Russell Martineau, said yesterday that he was not so "choopid" to open his mouth and get certain people wise in the Sam P. Wallace investigation. Senator Martineau made the point while addressing the annual conference of the St. Ann's East constituency of the ruling People's National Movement.

In a wide ranging address at the Maracas (St. Joseph) Community Centre to a large audience including Prime Minister Mr. George Chambers (Parliamentary Representative for the constituency), the Attorney General also waded into the Press for publishing inaccurate and libellous stories.

Alluding to "scribes" in the news media who were clamouring for official pronouncements on the Sam P. controversy, Senator Martineau warned that neither him nor government would "take any basket" from people who were waiting to "catch us in the slips."

He stressed: "I have to be very careful about what I say particularly in criminal matters. 'I cannot be choopid and open meh mouth and make people wise...I cannot talk."

"The Prime Minister understands and respects that. The Prime Minister does not seek to influence or instruct me where criminal matters are concerned."

Senator Martineau argued that to speak out of turn would mean a loss of confidence in him by persons who were supplying with valuable information.

The Minister who told his audience that he was sharing with them one or two thoughts on "our Constitution, way of life and the freedom we enjoy," complained that the people who were going about the place making all sorts of allegations were not doing the proper thing.

NO BASKET

"He explained: "I have often said that they should come to me as Attorney

General or the Director of Public Prosecutions, with whatever information they have..but no, they would not come.

"I want to make it absolutely clear that this government is not trying to hide or cover up anything...we are investigating allegations."

Stressing that when the time was appropriate government would make statements, Senator Martineau claimed that the enemies of the party were just waiting for the PNM government to "do any choopidness."

But he emphasised: "We ain't taking no basket...(applause).

Underscoring the achievements of the PNM over the past 25 years, Senator Martineau said the party was firmly committed to the democratic principle.

Saying that PNM was against comesse and bacchanal, he moaned that Trinidadians were a complaining people who almost never found the time to praise those things that were worthy of praise. Government, he assured was not insensitive to the wrong things in the society.

One of the freedoms enjoyed in Trinidad and Tobago was freedom of the Press, he reminded his audience.

But within the last week he saw many inaccurate stories in the Press and most of them contained serious libel.

Pointing out that he had nothing against the Press — "I believe in freedom of the Press because that is one of the pillars of a democracy," Mr. Martineau advised that the Press had its part to play in the development of the country — but it must be accurate, and not mischievous.

Perhaps, he said, the time was right for a tightening up of the Constitution to plug certain loopholes. But he felt that government had to be careful as there were certain people "waiting in the slips to catch us out."

Giving an example of the government's principled stand on the democratic way of life, Mr. Martineau recalled that the Education Act was amended following protests by teachers under the banner of the Trinidad and Tobago Unified Teachers Association (TTUTA) to allow for majority trade union representation in the teaching fraternity.

Another was the situation in Tobago. Tobagonians felt they wanted a greater say in the running of their affairs so the Tobago House of Assembly Act came into being.

"But now we are hearing talk of going to court in this matter..."

He said that the PNM must not be afraid to blow its trumpets as the party had a lot to show for the past 26 years. The party's biggest problem, he observed was to see where it was going and how to chart its course.

He reiterated that the Attorney General had nothing to do with the administration of justice. That was for the Chief Justice. Government never interfered with the judiciary and would never do so.

Senator Martineau was referring to problems in the legal service such as the shortage of judges.

'GUARDIAN' Comment

Port-of-Spain TRINIDAD GUARDIAN in English 10 Aug 82 p 8

[Editorial]

[Text]

WE should like to be assured by the fervent declaration by the Attorney General of his party's commitment to constitutional freedoms,

particularly to freedom of the Press.

But his general criticism about inaccuracies and maligning of persons (including himself) in the Press even within the last few days may cause some disquiet within the ranks of the Press.

True enough, the Attorney General did say that there could be no such thing as a free Trinidad and Tobago without a free Press and that he and everyone else wished the Press to be there so they could learn what was going on in the country.

But the references of the Attorney General to the two clauses in the constitution that would have to be changed, if ever anyone contemplated diluting the freedom of the Press, must create room for some apprehension.

Recently, certain remarks were made concerning the media by Cabinet spokesmen and the Attorney General has now set out what he termed guidelines for the conduct of a free Press.

The Press, he said, should be fair, accurate and responsible.

We trust that the Attorney General is not putting this out as a condition for continued non-interference with the Press.

This newspaper welcomes the promises, the admonitions, and the explanations, so far as they go.

We certainly cannot quarrel with the Minister for demanding (if that is the word) that the Press be responsible.

While we cannot claim under present circumstances that the entire Press is responsible, we can certainly answer for ourselves, having always been guided by what we see as best for our country.

The Attorney General referred to libels against Ministers and other persons without specifically naming the authors of such offensive material and we hope that the complaint is not to be the source of any action that will result in wholesale diminution of the freedom of the Press. Anyone libelled, Minister or not, can seek redress in our courts of law.

What is not to be condoned is anything of the nature of coercion or imposition of levies of any kind by the public authority on the Press in pursuance of some means of bringing the Press to heel (if not to court).

We certainly shall oppose at all costs any hint of dictation from any source.

Just as we should hate to live under a regime where neither the Press as an institution, journalism as a profession or journalists as citizens went about their business in growing fear and amid increasing obstacles, just so we do not wish to live in a society where the Press is so irresponsible that the character of no man or woman is safe from venomous and ill-founded gossip purveyed constantly by the media.

We shall continue, then, because of all these concerns to practise the principles of fairplay and of accuracy and we shall persist in being responsible and vigilant.

If all of us — Government, Opposition, Press, and People — together insist upon fairplay, upon accuracy, upon responsibility and upon performance in the national interest, we shall maintain in this country, as the Attorney General boasted, one of the most democratic countries in the world.

HIGHLIGHTS OF PRESIDENT CLARKE'S 'GUARDIAN' INTERVIEW

Port-of-Spain TRINIDAD GUARDIAN in English 15 Aug 82 p 1

[Text]

TODAY we publish an exclusive interview with the President of Trinidad and Tobago, Mr. Ellis Clarke. President Clarke discusses many issues that are in the public mind these days, not the least of which is that famous statement made by him at last month's pan festival. Here are quotes from the interview, the full text of which is on Page 7:

On the "We like it so" speech at the pan festival:

"I spoke of people who can detect only what is wrong with our country and I said I wished they were there to find out so much that is right. I retract not one word of that."

On the prophets of doom and gloom:

"The prospect of gloom we cannot possibly ignore. But doom I certainly object to, because that implies that we are fated to suffer terrible consequences. What I personally object to is any suggestion that there is some inevitability about an economic collapse in this country... I think sacrifice must come at every level ... and I fully accept that any wise government should give a lead to its citizens in circumstances such as these."

On horse racing:

"I do not own horses, but my children are in syndicates that do."

On consultations with the Prime Minister:

"There is no set pattern. But I am sure that these consultations will be much more regular when he becomes my neighbour."

On security at President's House following the news of an intruder:

"Steps have been taken to tighten security."

On integrity legislation and public declaration of assets:

"I feel quite strongly that the President should not be subject to the provisions of whatever integrity legislation may be introduced. The concept of public declaration of assets and liabilities is a question that should be very carefully considered for the simple reason that in small community there may be unintended consequences."

On the question of corruption in the country:

"I am sure that corruption abounds here, just as it does in nearly every country in the world... There are so many aspects of corruption it is difficult to know how one could deal with it comprehensively."

On freedom of the Press:

"There has in fact been a deal of irresponsibility on the part of several sections of the Press... But what is the answer? Do we throw out the baby with the bath water? One must ensure freedom of the Press but one must try to persuade or require people to refrain from abuse."

On the crisis in the Judiciary and Legal Services:

"Let's be frank and recognise the fact that local people were not appointed judges until some 40 years ago. It was a position of honour and distinction and precisely because it was unobtainable by local people it was thought of most highly. Nowadays we have a large number of judges. There is no exclusivity about being a judge."

SENATE OK'S TOBAGO ASSEMBLY BILL, BUT OPPOSITION CONTINUES

Threat of Court Action

Port-of-Spain TRINIDAD GUARDIAN in English 10 Aug 82 p 3

[Text]

THE Tobago House of Assembly is to take the Trinidad and Tobago government to court to get a judicial ruling on the Act governing the operations of the Assembly.

This was announced by Assembly chairman, Mr. ANR Robinson, during a Press conference yesterday, when he charged that government's "deliberate sabotage and undermining of the Act" were responsible for the decision to go to court.

"We cannot get any consistent interpretation from the central government of the House of Assembly Act. We get one version today and another tomorrow, government ministers differ, the government itself behaves differently before and after the House of Assembly elections and the People's National Movement, the political party, does not observe its promises printed in its manifesto," said Mr. Robinson.

He was particularly angry at what he termed government's cynicism in accusing the Assembly of wanting everything from the central government, when the Act specified that the Assembly had to get government approval for all major programmes.

As an example, he noted that last week Attorney General Senator Russel Martinneau urged the Assembly to go ahead and set up its marketing agency for Tobago,

as it was permitted to do by the Act.

The Attorney General said this knowing full well that the Ministry of Finance has refused to allow money for the marketing agency submitted in the 1981 Assembly estimates, and that the Assembly could not create posts without government approval. Mr. Robinson's charged.

After "misleading statements" by the Attorney General which he felt mirrored the confusion of the government towards the Tobago Assembly, Mr. Robinson felt that the position had become intolerable.

He stated that he would have welcomed an independent body headed by a High Court judge to deliberate on the matter and prepare a report, but this was not forthcoming.

The Assembly will ask the Court to make a "declaration of right," which Mr. Robinson noted was an accepted method when there were jurisdictional disputes between public bodies.

Asked about future relations between the Assembly and the government, Mr. Robinson commented, "We feel we can dwell together in unity, and while we see no need for secession, we have no choice but to conclude that government is forcing a separation."

A judicial ruling would clear the air about the powers of the Assembly and the government, and by preventing any misunderstanding preclude any need for further disputes.

he found.
Despite the Act, the central government was adopting a classic colonial position towards Tobago, said the Assembly chairman, and this the Assembly and Tobagonians were not prepared to accept.

Opposition in Senate

Port-of-Spain TRINIDAD GUARDIAN in English 11 Aug 82 p 1

[Text]

INDEPENDENT and Opposition Senators yesterday called on Government to hold consultations on the Amendments to the Tobago House of Assembly Act.

Some members felt that a select committee should be appointed to meet and discuss with the Tobago House of Assembly and interested persons while Senator Lloyd Best, Opposition Leader in the Senate, called outright for withdrawal of the Amendments.

When the Bill came up for debate, Minister in the Ministry of Finance Senator Anthony Jacelon was about to introduce it but Senator Ashford Sinanan (Independent) objected stating that, according to Section 5 (2) of the constitution, "parliament may not deprive a person of the right to a fair hearing in accordance with the principles of fundamental justice for the determination of his rights and obligations."

"If we engage in this debate today, this is precisely what we are being asked to do" he said.

Senator Sinanan said, "As a law maker, I am being asked to support a measure without hearing the views of the parties concerned, particularly the House of Assembly and the staff are being deprived of the opportunity of presenting their views to us."

They could be heard by committee of the whole House or by Select committee and other methods, he said.

The Senate had the power to review, he added.

"When you come to Parliament and ask that legislation be enacted affecting other authorities, they must be given the

right to be heard" he said. He went on to quote legal precedents.

Senate President, Senator Dr. Wahid Ali ruled that Senator Sinanan had not established that it was out of order to deal with the bill, and the debate commenced with Senator Jacelon piloting the amendment.

The amendment, which was already passed in the House of Representatives, makes provision for the daily paid staff to be employed and disciplined by the Chief Personnel Officer.

Senator Jacelon explained that consultations were held with the Assembly and the PSA. The only amendment being pursued was approved by a technical team which held discussions on the matter, he explained.

Opposition Senator Dr. Brinsley Samaroo said that consultation took place only after public protest.

He said there should be legislation to increase the powers of the Tobago House of Assembly not decrease it. It was important that Trinidad and Tobago remained a unitary state.

Senator Best, calling for the withdrawal of the Bill, said that if it was not withdrawn he would feel bound to ask Senators to vote against it.

Although some clauses were withdrawn from the original amendment, "the bill contains much fissionable material" he stated.

Independent Senator Gerald Furness Smith said if the bill was passed it would create a lack of confidence and lead to a major political issue and a gradual parting of ways.

"Let us bend over backwards to give them the

opportunity of being heard" the Senator added.

He suggested the appointment of a select committee.

Senator Maulana Dr Waffie Mohammed advised caution.

"Right now the feeling of political separation is in the air and, instead of amendments, it might be a struggle for identification of territorial waters," he

said.

Senator Alloy Lequay noted that the theme "consultation arose in all the comments made and if meaningful consultation had taken place then they would have been spared the heat, and hatred.

"Some of us profess to like it so, but a lot of us know it can't continue so" he concluded.

Senate Vote

Port-of-Spain TRINIDAD GUARDIAN in English 11 Aug 82 p 1

[Text]

The Bill to amend the Tobago House of Assembly Act was passed in the Senate at 9.00 p.m. last night by majority vote. Government members voted in favour.

Independent Senator Gerard Furness Smith moved that it should be referred to a select committee but his motion was defeated with 13 Government members against, five Opposition and six independents present in favour.

PNM Complaints in Tobago

Port-of-Spain TRINIDAD GUARDIAN in English 13 Aug 82 p 1

[Text]

THE FOUR People's National Movement members of the Tobago House of Assembly have complained of late invitations sent to them for Assembly meetings.

They also claim that reports of the Assembly's committees are not being tabled at the meetings.

A motion calling for the tabling of these reports has been filed with the Assembly and the members plan to file other motions protesting the late invitations given to special meetings and short notice given in advance of debates.

The complaints were made at a Press conference at PNM Headquarters, Balisier House in Port of Spain yesterday.

The members — Mr Stanford Callender, Mr Thomas Denoon, Mr William Mc Kenzie and Mrs Beatrice Julien — said they

considered with a great deal of seriousness and concern the actions and decisions of the committees.

They claim to have been deprived of legitimate opportunity to make "a contribution on matters of interest to the Assembly and the people of Tobago.

Referring specifically to a special meeting of the Finance and General Purposes Committee of the Assembly on August 5 which dealt with the interpretation of the Tobago House of Assembly Act. Mr Callender, the leader of the PNM members in the Assembly, explained that he had not yet received his invitation to the meeting.

Responsibility for issuing notices is that of the Clerk of the Assembly, he said, and the notices are sent by messenger.

He said that Assemblyman Mc Kenzie got his

invitation at midday on Thursday, August 5, while the meeting started at 10.00 a.m. the same day.

Assemblyman Thomas Denoon received his invitation at 8.00 p.m. on Wednesday, August 4, but had a previous commitment with the Tourist Board at Bloody Bay, while Assembly member Beatrice Julien was out of the country on leave of absence.

Mr Callender said it was not the first time that invitations for special meetings were delivered late, and the PNM members had raised the matter with the Assembly.

He explained, too, that reports of the committees were not tabled in detail in the Assembly and on occasions they got oral reports.

In the case of motions, he claimed there were occasions when the PNM members were only aware that motions were to be debated shortly before the debate began.

Recently they only had ten minutes notice on a motion, he said.

At the August 5 meeting the Assembly took the decision to seek a court ruling on the interpretation of the Tobago House of Assembly Act.

He said that claims that some matters were approved unanimously by the Tobago House of Assembly were incorrect since on occasions the PNM members had abstained, but yet the reports were that there was unanimous support.

Mr Callender said he did not think that there was any major problem with the interpretation of the Tobago House of Assembly Act.

He felt that Central Government had been most co-operative with the Assembly. He did not feel that there was the need to go to court for legal clarification. The problem, he said, was misinterpretation of the administration of the Act.

He said while it was claimed that the approval to go to court was done by the Tobago House of Assembly, what actually took place was that it was passed by the Finance and General Purposes Committee and not the plenary session of the Assembly.

The PNM is the minority party in the Tobago House of Assembly which is controlled by the Democratic Action Congress, led by Mr. A.N.R. Robinson.

Call for Public Debate

Port-of-Spain SUNDAY GUARDIAN in English 15 Aug 82 p 1

[Text]

MR. Hochoy Charles, leader of Assembly business in the Tobago House of Assembly, has written the Attorney General, Senator Russell Martineau, proposing a public debate on radio and television on the Tobago issue.

"We would like the matter fully aired in public, so that an enlightened Press would be able to question us," said Mr. Charles yesterday as he expressed the urge to "sit down and thrash this matter out."

Mr. Charles, who submitted his proposal last Monday, said up to yesterday he has had no response.

While pointing out the untold problems of the Assembly, particularly staff shortages, Mr. Charles also refuted charges made last week at a Press conference in Port of Spain by the minority PNM members.

The four PNMites complained that they did not have an opportunity to air their views at a meeting held on August 5 in connection with the Assembly Act because they received their invitations late.

Mr. Charles explained that the invitations

were sent out on August 4 for the August 5 meeting. He explained that it is the Clerk of the Assembly, a public servant, who is responsible for sending out the invitations.

He added that it was Parliament's decision with respect to the amendment of the Act and other matters that prompted the holding of the emergency meeting. The Assembly's administrative committee met August 3 and agreed to hold the meeting on August 5.

According to Mr. Charles, the invitation to Mr. Stanford Callendar was delivered to the address which he gave the Assembly — his work place — at Gordon Grant, Tobago.

Mr. Thomas Denoon's circular was delivered to his home at Milford Court, Canaan. He was not there at the time and it was handed to his wife.

Mrs. Beatrice Julien's circular was also delivered by hand to her home. She also was not at home.

Mr. William McKenzie's circular was also delivered by hand to his home, and he too was not there.

Both Mr. McKenzie and Mrs. Julien, the Assembly leader explained, were granted "leave of absence" by the Assembly as they were out of the country.

In the cases of Mr. Callendar and Mr. Denoon, they received tickets from the Assembly to attend the Consultation on the Utilities in Trinidad. They got the tickets to attend the opening session on August 3 and were to return to Tobago the next day, hence the reason why they were not present to receive their invitations.

MAJOR CONSTRAINT

The entire Assembly, Mr. Charles said, met on August 5 as the Finance and General Purposes Committee. The report of that committee, he said, would be tabled and debated at the next plenary session which is likely to be held on August 26 at the Hall of Justice.

Mr. Charles said it was true that reports of

statutory committees do not come before the Assembly for debate, because of staff shortage, which he described as a major constraint.

He said there are only three people to service six standing committees which meet each month, plus servicing the plenary sessions. "We just do not have the staff to cope with the amount of work," he said.

He also spoke of another constraint as far as holding plenary sessions are concerned. Since sittings are held in the Hall of Justice, Scarborough, the Assembly has to apply for its use, on each occasion, to the Chief Justice, whose approval for a given date must be received before each meeting can be held.

"We just cannot apply for two and three meetings in advance," he explained. "We must apply to hold each sitting."

Mr. Charles also told of the Assembly's resolution, in the light of Parliament's decision on the interpretation of the Assembly Act and other matters, to authorise the Chairman, Clerk, and legal adviser to the Assembly "to take such steps as may be necessary, without delay, to obtain a judicial ruling on the powers and functions of the Tobago House of Assembly."

Replying to charges about workers not being paid on time, Mr. Charles said "a combination of factors" was responsible for this, chief of which being the transfer of senior staff from the accounting division.

Since the Assembly had no responsibility for, the employment, transfer and discipline of monthly-paid staff, this was being done by the Central Administrative Services of Tobago.

Mr. Charles said that at present 95 per cent of the accounting staff at the Works Division are new.

Mr. Charles said he felt strongly that as a result of the numerous problems and conflicts in Tobago, plus what is said in other places, the public should be presented with the opportunity to have the Tobago issue fully aired in a debate in Trinidad — and not Tobago.

'GUARDIAN' Editorial

Port-of-Spain TRINIDAD GUARDIAN in English 16 Aug 82 p 8

[Editorial]

[Text] LIKE the Government of Trinidad and Tobago, the Tobago House of Assembly must curb any tendency to ignore the claims of the minority if we are to be a truly democratic State.

We say this because a disturbing report has now surfaced among minority members of the Assembly.

It is a complaint often heard on the lips of Opposition Members of Parliament, Independent Senators, and political observers that the majority do not try to ensure the minority are suitably informed about agenda and properly summoned to meetings and that both in discussion and debate the representation by the minority is often treated with contempt.

Recently, the "Sunday Guardian" drew attention to the walk-out of Tobago M.P.s because they claimed the Government insisted on debating the Tobago House of Assembly Act without first making sure that they had been properly notified about intending amendments.

The rest of the Opposition, in support of Tobago and perhaps in pique at being deprived of their Private Members' Day rights, walked out also.

Since then items from the lost Private Members' Day are being inserted for debate into the normal agenda of the House.

This, we think, is a practical and fair alternative, and an innovation that we hope will assist us in shaping a Parliament responsive to the need of the entire country.

We were pleased, too, by the admission from the Minister of Foreign Affairs last Friday that the country must have a bipartisan foreign policy and his announcement that a bipartisan House Committee on foreign policy is to be appointed.

We were, therefore, disappointed to hear from PNM members in the Tobago House of Assembly that they receive late invitations from Assembly meetings, that reports of the Assembly's

Committees are not being tabled at meetings, and that they are being deprived of legitimate opportunity to make a contribution on matters of interest to the Assembly and the people of Tobago.

In particular, they charged that the notices for attendance at special meetings of the Finance and General Purposes Committee to deal with interpretation of the Tobago House of Assembly Act were delivered too late for them to attend.

This is a serious matter. It was that meeting which decided to go to court for a ruling on the interpretation of the House of Assembly Act.

Without detracting from whatever merits the case many possess, we say bluntly that such a critical step ought not to have been taken in the absence of the other side just as we say that we think the Parliament was unwise in persisting in dealing with the proposed Tobago Assembly amendments in the absence of the Opposition the other day.

These are attitudes that, carried to their logical conclusion, will do incalculable harm to democratic aspirations and general good government.

CHAMBERS AGAINST PARTIES HAVING SAY IN ELECTORAL SYSTEM

Port-of-Spain TRINIDAD GUARDIAN in English 9 Aug 82 p 1

[Text]

MR. GEORGE CHAMBERS, speaking in his capacity as Member of Parliament for St. Ann's East, set his voice yesterday against the suggestion that political parties be given the privilege of input in the administration of the country's electoral system.

He would not be a party, he said, to any interference with the Constitution especially in view of the historical fact surrounding the birth of the Constitution.

He recalled that at the Marlborough House Conference which brought the Constitution for independence into being it was only the statesmanship of the late Prime Minister and of the equally fine contribution from the then Leader of the Opposition (now deceased) which saved the conference itself from breaking down over very much the question of political control of elections.

Besides that, he said, there were practical difficulties.

"You would have to define a political party in Trinidad and Tobago. And how would you do that?"

You would have to require, perhaps, that parties be organisations having groups in all thirty-six constituencies, with secretaries, and offices, and financial reports, and annual conventions and so on year after year.

"Mr Martineau would have the job of defining a political

party and when he did that, he would never be able to live that down."

Mr. Chambers drew the attention of the assembly to several remarks of the Attorney General, who delivered the feature address.

In particular, he said, the constituency should become more assertive, perhaps, since members of such group probably outnumber "by several hundred times" the persons who were getting television time and newspaper space on some issues and were seeming to be expressing national consensus about certain matters.

Not only was he against the possibility of political interference with the electoral process, Mr. Chambers did not favour granting local councillors powers over the administration of their councils, referring them to the position that the central Government itself faces vis-à-vis the public service, whose role and function are legislatively defined and cannot be interfered with except by a specific amendment of the Constitution itself.

OPPOSITION MP'S SUPPORT SQUATTERS IN GOVERNMENT HOUSING

Panday Warning

Port-of-Spain TRINIDAD GUARDIAN in English 9 Aug 82 p 7

[Text]

OPPOSITION Leader, Rep. Basdeo Panday (ULF Couva North) is determined to go to "jail" if it becomes necessary in order to protect the livelihood of the sugar workers of the country.

Mr Panday President General of All Trinidad Sugar and General Workers' Trade Union said on Friday that the 2,000 houses build at Couva for Government "must be given to sugar workers" and failure of the authorities to do so, would certainly be met with "stiff re-

sistance."

He warned: "If the sugar workers who are squatting whether on State Lands or elsewhere, cannot occupy those houses then no one else will be able to do so."

The Sugar Union leader said: "we have made hundreds of requests to Government, both in Parliament and outside asking that the houses be handed over to the sugar workers of the area, but our appeals have fallen on deaf ears."

Couva Representative's Remarks

Port-of-Spain TRINIDAD GUARDIAN in English 9 Aug 82 p 3

[Article by Norris Solomon]

[Text] OPPOSITION parliamentarian Rep. Kelvin Ramnath (Couva South) said on Friday he would support Couva residents occupying government houses constructed in Couva.

He said that if the residents of Caroni decided on any strategy against "people from outside coming to occupy those homes," then the residents would have his support.

He was speaking during debate on an Opposition motion for every family unit to enjoy the security, privacy and comfort of a home in the quickest possible time.

Rep. Ramnath said that he was encouraging the people of Couva to squat and occupy the houses in Couva. "The people of Couva will decide what sort of resistance to put up," he added.

Calling for land to be distributed for people to build homes, Rep. Ramnath suggested that Government should set up an emergency programme to get lands distributed. He pointed out that there was a lot of social unrest because of the lack of houses.

On Friday there was no Government business on the agenda and, while it was the first Friday in the month, Deputy Speaker Rep. Cyril Rogers, who presided in the absence of the Speaker Mr Matthew Ramcharan, said that Government and Opposition had agreed that Private motions would be debated.

The week before the Opposition walked out of the House protesting continuation of debate on the Tobago House of Assembly amendments and claiming that they felt private motions should have been debated.

The fourth Friday in each month is Private Members Day. The Opposition returned to the House at Friday's sitting.

The debate on the private motion began four months ago. In the motion, Rep. Humphrey calls for no individual or family who does not have adequate land should be made homeless by any action of the State and occupants of State lands/ (squatters), required for development, should be relocated with minimum inconvenience and maximum assistance.

Government has proposed an amendment through Minister of Housing and Resettlement, Senator Wendell Mottley that the House should take note of the current efforts by Government for providing lands and houses to accelerate the programme.

Rep. Ramnath said that he did not understand how Government expected people to find homes, or land to build homes.

He claimed that nothing

was said about what system would be used to allocate the lands in Couva at the Housing Estate at Point Lisas.

They were unable to obtain a clear, concise policy from Government in relation to the houses. All they had heard was that a quota would be made available to people in the area, Rep. Ramnath said.

The people Government was talking about, he claimed, were senior staff.

He said too that the Minister of Housing had visited the Housing Estate but had not invited him as the Representative for the area to look at the houses with him.

He brought the Commander of the Defence Force as though they were planning to set up a Defence Force in Couva, he stated.

Rep. Ramnath also suggested that the former General Manager's house which was occupied by the Prime Minister during this visit to Caroni should be used as a home for handicapped children.

Rep. Ramnath noted that there was an ideal parcel of land in the area which could be used to satisfy the backlog of persons seeking homes through the Sugar Industry Labour Welfare Committee.

Rep. Ramnath said that members of the Army could be sent to learn to be civil engineers to assist people in constructing houses.

DELICATE

They should not be made to break down houses, he said.

Rep. Dr. Cuthbert Joseph said he could not support the original motion, but he was supporting the amendment as made by the Minister of Housing.

The amendment looked at the "delicate question of housing in its entirety" he said.

The housing policy must be seen in the wider context, Dr. Joseph explained.

Dr. Joseph went on to outline the history and statistics of the barrack type houses in the sugar areas over the years and claimed that the country had come a long way from that.

PORT IN TROUBLE AS LABOR UNREST HALTS SHIP UNLOADING

Wage Increase Pact

Port-of-Spain TRINIDAD GUARDIAN in English 7 Aug 82 p 1

[Text]

PORT workers are to get a 50 per cent pay rise.

The Port Authority and the Seamen and Waterfront Workers Trade Union (SWWTU) wage pact for 3,000 employees will be retroactive from August 1, 1981.

Workers will receive a 28 per cent increase in the first year, 12 per cent in the second and 10 per cent in the third an overall 50 per cent increase.

Settlement of the wage issue took place at the Ministry of Labour, Riverside Plaza, yesterday under Minis-

ter of Labour, Errol Mahabir.

The agreement also provides for a new Cost of Living Allowance (Cola) and for the first time, a savings plan has been introduced whereby the Port Authority will contribute one per cent of basic wages and the employees two per cent of total earnings.

Several outstanding matters are yet to be settled including management proposals for improved efficiency and working conditions.

Operational Hold-Up

Port-of-Spain TRINIDAD GUARDIAN in English 11 Aug 82 p 1

[Article by Irma Rambaran]

[Text]

MORE THAN ten ships remained idle at the city port yesterday, while twice that number were at anchor in the Gulf of Paria awaiting berthing space at the waterfront — crippled by a labour unrest.

In Tobago, the Scarborough waterfront workers mounted a work stoppage yesterday in solidarity with their colleagues in Port-of-Spain who are demanding that acting manager of Port Operations Mr Vincent Boyce be removed from office.

Yesterday was the second day of the unrest in which several thousand port workers refused to handle cargo.

The workers without the support of the Seamen and Waterfront Workers Trade Union (SWWTU) which last week won a 50 per cent wage hike for them said they would not back down on their demand.

While the unrest enters the third day today shipping agents said that if the work stoppage continued for another day ships with vital cargo bound for the industrial sector would be pass Trinidad for other Caribbean ports.

Merchants, too, have begun to feel the squeeze because tally clerks and other port workers were

not processing papers to allow goods already unloaded to leave the port.

Yesterday, crews on board the vessels berthed spent the day swabbing the decks and polishing brass.

In Tobago, dockworkers received orders to stop work in support of their Port of Spain counterparts and goods at the Scarborough wharves were

not cleared.

At the core of the issue is the demand to remove Mr. Boyce appointed acting Manager of Port Operations. He replaced Mr. Bertell Lucas who is on one month's vacation leave and who is due for preretirement leave shortly.

Shipping agents said yesterday that the present impasse on the wharves will result in thousands of dollars being lost each day that a ship remains on the Port.

One shipping agent whose ship has been awaiting berthing space since last week and should have been off-loaded yesterday said that he was disturbed over the situation and the overall effects that it would have.

"If all the berths are occupied, that means no sailing out of the country and that means no berths. The principals of the ships can direct the ships to sail to other ports, such as Barbados, but only if there is cargo to be off-loaded

there."

INVOICING

"If not, then the ship will just have to wait until the workers decide to go back to work, and that is costing us thousands of dollars each day."

It was also pointed out that agents could run into problems with the Customs Division, as invoices must be stamped with the date of arrival of the ship.

"If the ships decide to return to Trinidad after the impasse is over, then new entries will have to be made for the delivery of the goods and that is a fresh set of problems," he said.

On the Port of Spain wharves yesterday, most workers showed up for work, clocked in, then went home. Others remained on the Port stating, "We came to work, but there isn't any work, so we just here taking things in."

The Port Authority has defended its decision to

appoint Mr. Boyce as Manager of Port Operations and has accused the SWWTU of interfering in the affairs of management.

However, workers insist that another person should have been placed in the position as Mr. Boyce was the General Manager of Stevedoring operations and is not suited to the new position.

Despite repeated attempts, union officials, including Mr. Vernon Glean, President of the SWWTU and Mr. Francis Mungroo, General Secretary, could not be contacted for comment.

However, a member of the SWWTU said that the action by the workers had not been formally brought to the union and that the SWWTU did not have a grouse with the Port Authority. He said it was a matter between the workers and management and did not involve the union.

Protest activity by the workers is expected to continue today.

Return to Work

Port-of-Spain TRINIDAD GUARDIAN in English 13 Aug 82 p 1

[Text]

PORT workers returned to their jobs yesterday after three days of industrial unrest. But it will take a week to clear the backlog of work, a port worker said.

Workers were faced with a backlog of 14 ships awaiting to be offloaded.

On Monday the Port's 3,000 workers staged a work stoppage to protest the appointment of Mr. Vincent Boyce as Acting Manager of Port Operations in place of Mr. Bertie Lucas who was on vacation.

On Wednesday, the Minister of Labour, Mr. Errol Mahabir, instructed that Mr. Lucas be recalled from leave pending further discussions on the matter next week Wednesday.

CSO: 3025/428

SECURITY MINISTER SAYS POLICE IMAGE, CRIME CONTROL IMPROVED

Port-of-Spain TRINIDAD GUARDIAN in English 16 Aug 82 p 3

[Text]

NATIONAL Security Minister John Donaldson believes Trinidad and Tobago nationals are now confident that the Police Service has the current crime wave under tight control.

Also that the image of police officers anxious to use brute force on erring members of the public is fast dying away.

Mr. Donaldson made these points clear to Police Commissioner Randolph Burroughs in a letter despatched in the wake of the recapture of the sixth and last prisoner who escaped from Golden Grove prison in early June.

The Minister told Mr. Burroughs he wished to congratulate the entire Police Service as well as himself

for the efficient and effective manner in which the six escapees — Keith Darceuil, Barry Brown, Ancil Hutchinson, Carl Holder, Michael Belasco and Kenny Harris, who was held off the Lady Young Road early Saturday morning — were recaptured.

"I am happy that the exercise was completed in a manner that must destroy the credibility of anyone who sought to associate the

Police Service with the use of excessive force in the search to recapture the escapees.

"I take this opportunity to note with satisfaction that through the efficiency of the entire Police Service under your leadership most of the recently-induced hysteria with respect of crime in the country has disappeared.

"I wish to urge you to keep up the morale of the service in the knowledge that the mass majority of the nation is appreciative of the efforts of the Police Service."

All six prisoners were recaptured alive and Mr. Burroughs yesterday was full of praise for the officers who manned the Fugitive Command posts set up at strategic areas throughout the country soon after the dramatic Golden Grove escape.

The Police Commissioner hinted, too, that the co-operation of the public was vital to the success of the effort to get the six prisoners behind bars again.

Mr. Burroughs indicated that recapturing many of the six resulted in the police swiftly following up telephone tips from members of the public on the whereabouts of the wanted men who were all described as "armed and dangerous."

SUPPLEMENTAL FUNDS SOUGHT; BUDGET CROSSES \$9-BILLION MARK

Port-of-Spain TRINIDAD GUARDIAN in English 14 Aug 82 p 1

[Text]

GOVERNMENT is seeking supplementary appropriations to the 1982 budget which will cause the budget to cross the \$9 billion mark.

Senator Anthony Jacelon, Minister in the Ministry of Finance, presented a motion in the House of Representatives yesterday asking the House to adopt the second report of the Finance Committee to provide for additional expenditure of \$539,598,507 which, together with the original 1982 budget of \$8,466.2 million would make the 1982 budget \$9,005.7 million.

Tied in with the motion are the Variation of Appropriation Bill and Supplementary Appropriation Bill for \$469,531,772.

Senator Jacelon explained that \$511,531,772 was needed for various wage increases, including \$325,000,000 for hourly and daily paid workers.

The supplementary appropriation of \$469.5 million includes \$2.6 million for pensions and gratuities, \$51 million for the Ministry of National Security, \$61.1 million for loans and grants to statutory authorities and \$29.6 million for the Ministry of Community Development and Local Government.

Opposition members Trevor Sudama (Oropouche) and John Humphrey (St. Augustine) and Senator Dr. Basil Ince, Minister of External Affairs were the only speakers on the Bill yesterday before the House was adjourned to Monday at 1.30 p.m.

LOCALS TAKE CASE FOR SODETEG CONTRACT WORK TO CHAMBERS

Port-of-Spain SUNDAY GUARDIAN in English 8 Aug 82 pp 1, 16

[Text]

LOCAL construction firms, architects, engineers — surveyors and manufacturers have taken their case against Sodeteg to Prime Minister George Chambers, via a letter.

They are requesting to meet the Prime Minister, "as a matter of urgency," to discuss the unsatisfactory implementation of the Mount Hope Medical Complex contract by Sodeteg.

The letter was signed by the presidents of the Quantity Surveyors Association, the Trinidad and Tobago Manufacturers Association, the Institute of Architects, the Association of Professional Engineers and the Trinidad and Tobago General Contractors Association.

The signatories paid particular attention to the appendix which stated:

"The contractor (Sodeteg) hereby covenants to adhere strictly to the following basic tenets of the government-to-government arrangement:

•Transfer of technology — During all stages of the con-

tract particular arrangements to be agreed upon between the contractor and the employer shall be made so that the Republic of Trinidad and Tobago and its citizens could benefit from cross fertilisation of different technologies.

•Training — During the construction stage the contractor shall follow Government's requirements for training of personnel;

•Utilisation of local resources — During all stages of this contract the contractor shall maximise the use of resources available in Trinidad and Tobago, such as, but not restricted to products and materials, personnel, contractors, consultants and service organisations."

Following is the text of the letter to Prime Minister Chambers.

We the undersigned groups desire to meet with you, as a matter of urgency, to discuss the unsatisfactory implementation of the Mount Hope Medical Complex contract by Sodeteg who, in our view, are not proceeding in accordance with the original intention of the Government as specified in

the contract (see Appendix 1) in either spirit or fact.

As you are aware, Sir, the Ballah Report has pinpointed the grave weaknesses of the present government-to-government contract procedures which has led to your administration cancelling most of these arrangements, reviewing others, and establishing stricter controls and monitoring where these arrangements are allowed to continue.

We the undersigned have some concrete suggestions to put to you for the meaningful involvement of local contractors, manufacturers, and consultants on the Mount Hope Medical Complex envisaged in the contract as outlined in Appendix 1 attached.

As nationals it is our fervent hope to see the successful completion of this important project in a manner consistent with national aspirations, and sincerely hope we would be given an opportunity to collaborate with you in achieving this objective.

SUGAR INDUSTRY FACES UNCERTAIN FUTURE; OUTPUT STUDIED

Cabinet Deliberations

Port-of-Spain TRINIDAD GUARDIAN in English 10 Aug 82 p 7

[Text]

CANEFARMERS and supporters of the Island-wide Canefarmers Trade Union heard Sunday that Cabinet is yet to announce the direction in which the sugar industry may go.

That was told to them by Foster Bissessar of Agricultural Planning in the Ministry of Agriculture, Lands and Food Production as he addressed the opening sessions of a two-month observation of 100 years of struggle of cane farmers in Trinidad and Tobago.

Mr. Bissessar informed the gathering that he brought greetings from the Minister Kamaluddin Mohammed. He said that Cabinet has before it the Sugar Rationalisation Report prepared by the

Spence Committee, the Rampersad Plan for the sugar industry and other recommendations.

He said Cabinet had to go through those reports and make recommendations before deciding in which the industry must go.

One of the major problems, he said, is to determine the size of the industry i.e., whether to produce more sugar for export or domestic use for Caricom markets or for Trinidad and Tobago as a whole.

Once that was decided upon then and only then one will know about the future of the sugar industry in Trinidad and Tobago including the future role of cane farmers, he told the gathering.

Trade Union Concern

Port-of-Spain TRINIDAD GUARDIAN in English 10 Aug 82 p 7

[Text]

RAFFIQUE SHAH, president-general of the Island-wide Canefarmers Trade Union said on Sunday that there is a steep decline in the number of cane farmers in the country and also in the tonnage of sugar production.

He observed that in 1972 the number of cane farmers in the country was more than 12,000. Today that figure dwindled to a mere 6,000. And around that same time farmers reaped about one million tons of canes as compared with a little more than 400,000 tons today.

"We are disturbed over

this decline which is taking place over the years", he told the opening session of his Union's observance of One Hundred Years of Struggles of Canefarmers in this country.

FRUIT ORCHARD

The opening was held at Paramount Building,

Circular Road San Fernando.

Mr Shah noted that there was a high price of cane in 1974 and over the next two years the situation became very bleak.

Therefore, from that time a reorganisation of the sugar industry should have started.

He recalled that the ICFTU participated in the Spence Report which was accepted by Government in 1980 and to-date the recommendations have not been made implemented.

Mr Shah said that one of the recommendations called for a massive rice project. Another called for the establishment of a fruit orchard on lands between Chaguanas and Waterloo.

He noted, too, that a third recommendation involved a massive dairy farming project to be set up in Rio Claro.

If those recommendations were undertaken losses in the sugar industry could have been cut down drastically, he believed.

Mr Shah said that he believed that there is need for change in the sugar

industry but such a change must be meaningful to the economy of the country.

What is needed in this country is a total and serious approach to the question of agriculture and food production from land tenure right up to marketing and food processing, he stated.

PREREQUISITE

Mr Shah said that his Union is prepared to participate with Government and other organisation for the orientation of agriculture. He said they were not afraid of change.

"We want to be part of that change but the attitude of Government towards farmers and agriculture is a prerequisite to any such change," he told the farmers.

The observance of 100 years of struggles of canefarmers as organised by the ICFTU, will end in mid-September with presentation of awards.

Costs Cut Order

Bridgetown SUNDAY ADVOCATE-NEWS in English 8 Aug 82 p 3

[Text]

PORT-OF-SPAIN Trinidad Saturday (CANA) — The government here has ordered the state-owned sugar company Caroni Limited to cut its operating cost by 30 per cent, and the move could mean mass retrenchment in the labour intensive industry, according to Opposition Leader, Basdeo Panday.

Mr. Panday, also a prominent labour leader here, made the charges in an address to delegates at the annual conference of his all Trinidad Sugar and General Workers Trade Union.

He said that he had received information that the government was planning to cut back sugar production to 80 000 tonnes and to fully automate

two factories to grind the canes.

The Opposition Leader's comments followed statements by the Minister Of Agriculture, Lands and Food Production, Kamaluddin Mohammed that Cabinet was discussing proposals for the restructuring of the industry, which annually chalks up massive losses.

Mr. Mohammed had said in a nation-wide broadcast however that whatever decisions the government took, it would consider the "Human factor" in the industry.

But Mr. Panday said that there would be no jobs available in the "so-called diversification programme."

Gloomy Caroni Prediction

Bridgetown ADVOCATE-NEWS in English 9 Aug 82 p 6

[Text]

PORT-OF-SPAIN, Trinidad, Sunday (CANA) — The Chairman of Trinidad and Tobago's biggest sugar company, the state-owned Caroni Limited, has forecast that sugar will not survive as a major revenue earner for this country much longer because of an international conspiracy to strangle cane sugar.

Caroni Chairman Frank Rampersad accused "powerful political forces" in the industrialised world of ganging up to keep cane sugar off the traditional world spot markets, pushing it on to other markets where it came up against stiff competition from subsidised beet sugar.

"In the dwindling market for traditional sugar, cane sugar has lost much of its advantage over beet sugar and where economic practices have not operated to give beet sugar an advantage, powerful political forces have done that," the Caroni Chairman was quoted in the Express newspaper as saying.

Sugar is one of Trinidad and Tobago's main foreign exchange earners, but its performance over the last two years has been poor, due to several factors, including unauthorised fires and bad weather.

Industry officials said this year cane harvest produced 79 965 tonnes of sugar, 23 000 tonnes short of the figure projected by Caroni. Of this amount, 46 954 tonnes was supplied to the European Economic Community (EEC)

out of the country's 66 554 tonne quota under the Lome accord linking African Caribbean and Pacific (ACP) states to the 10-nation EEC.

"The entire traditional sugar industry both cane and beet is under attack from other sweeteners. High corn syrup has already made inroads into the sugar market and the availability of this product in granular form increases its life, thus threatening to reduce the demand for traditional sugar," Mr. Rampersad told the opening of a recent agricultural exhibition mounted by Caroni.

He suggested changes in the structure of the local industry which would give farmers an important role in the industry.

"I am convinced that by putting a large part of the industry in the hands of a cane farmer and by giving him the support he needs, the nation would have taken a reliable insurance policy for its future food supply and who knows, even for sugar."

Report of Shortage

Port-of-Spain TRINIDAD GUARDIAN in English 11 Aug 82 p 4

[Text]

A SHORTAGE of granulated sugar has caused the closure of the condensed milk production line at Nestle's factory in Valsayn, a company source said yesterday.

About 100 workers on the line have been doing maintenance work since last week because of the sugar shortage and it is feared they will have to be laid off unless new supplies are obtained.

At present, Nestle has

been using up its reserves since July 26, and what little sugar can be found is being used to make chocolate milk and juices.

The company needs a supply of one 40 foot container of granulated sugar each day to operate viably, but in the last month has received just 10 containers, just a third of its needs.

"Right now, we need eight containers in a hurry if we are to maintain production and have work for our employees," said the spokesman.

Granulated sugar for local use is imported by Caroni Ltd from Canada when Caroni's own production is not enough, which has been the case for most of this year.

IMPORT LICENCES

The problem appears to be that Caroni is having difficulties getting licenses to import the sugar, and

the delays are reverberating on Nestle, which runs a 24-hour operation. A further problem is that materials such as cocoa powder for the chocolate milk is often held up on the docks, and the present dock problems will intensify the difficulties.

When contacted yesterday a member of Caroni's Public Relations Office said she would investigate the Nestle problem and inform the Guardian.

Caroni Production Plans

Port-of-Spain TRINIDAD GUARDIAN in English 13 Aug 82 p 7

[Text]

STATE-owned Caroni (1975) Limited will put all its four factories into operation in the 1983 crop.

That was stated yesterday by a company official when asked about the future operations of the four factories.

Announcement of the company's plan to use all four factories — Brechin Castle, Ste Madeleine, Reform and Woodford Lodge have met with favourable response from canefarmers many of whom feared that the company was thinking in terms of operating only two factories — Brechin Castle and Ste Madeleine.

Sam Maharaj, general

secretary of All Trinidad Sugar and General Workers Trade Union when told of the company's plan, said if the company intends to use all four factories in the 1983 crop, sugar workers should have no fear of losing their jobs at least in this coming harvesting.

REDUCED TARGET

He is hoping that Caroni will so inform the Union soon of its 1983 crop plan.

Mr Maharaj said, however, that his Union is disappointed in not getting an answer from Government as to what direction the industry will be

heading in the future, although they have written Government on the matter.

The company's total production in the 1982 crop was 79,965 tonnes of sugar made from 1,200,741 tonnes of cane.

The initial estimated target was set at 125,000 tonnes but that was later reduced to 103,000 tonnes. The low production was due to the combination of bad weather, declining productivity and an inadequate harvesting capacity, the company stated after the crop ended.

The company blamed unplanned fires for the loss of \$14 million.

Texaco-Sugar Workers Issue

Port-of-Spain TRINIDAD GUARDIAN in English 17 Aug 82 p 7

[Text]

ALL TRINIDAD Sugar and General Workers Trade Union is to ask Texaco Trinidad Inc. to lease the Texaco Star Farm to the Union.

Senator Neuvo Diaz, vice president, said yesterday that since the company has refused to sell the Farm to the Union, a bid will now be made to ask for a lease of the more than 100 acres of the project.

The Union officer said a move in that direction by the Union is an attempt to find

employment for the retrenched workers.

The company closed down operations of the Star Farm at the end of last month for economic reasons, it was reported.

Meanwhile, the Union and company last week reached a deadlock in their current wage negotiations on behalf of the Star Farm workers. The matter will be reported to the Minister of Labour by the Union.

BRIEFS

UNEMPLOYMENT CONCERNS--SEVERAL times during the course of a statement to the House of Representatives on Friday, Mr. Errol Mahabir, Minister of Labour, said in effect, that his Ministry was experiencing "growing concern" about "the lack of employment opportunities in Trinidad and Tobago and the number of areas in which jobs are being lost." The "tremendous problem," the Minister said at one stage, was forcing the Government to consider cracking down on persons abusing the Caricom agreement by importing into Trinidad and Tobago goods from third countries in violation of the agreement and thus endangering the jobs of 7,000 women in the nation's garment industry. Retrenchment in manufacturing and in the service trades, Mr. Mahabir said, was growing. [Port-of-Spain TRINIDAD GUARDIAN in English 9 Aug 82 p 3]

POLICE RESTRUCTURING--A CABINET appointed Committee to make recommendations for the restructuring of the Trinidad and Tobago Police Service, is inviting memoranda from members of the public. All correspondence should be addressed to the Secretary, Trinidad and Tobago Police Service Restructuring Committee, Ministry of National Security, Knox Street, Port of Spain. Memoranda must be submitted to the Committee no later than September 17, 1982. Restructuring of the Police Service is now being considered by a seven-man committee chaired by Mr. Victor Bruce, head of the National Institute of Higher Education (NI-HERST). Government felt there was need for extensive and sustained training in supervisory and management principles for senior officers in the protective services. Special note was taken of the Police Service which has outgrown its original structure. The Minister of National Security recommended that restructuring of the Service and re-training of its members was necessary to cope with the growth of the country. The training aspect of this recommendation is managed by the Joint Service Staff College which began operations in 1979. [Port-of-Spain TRINIDAD GUARDIAN in English 10 Aug 82 p 1]

CSO: 3025/430

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